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DOCUMENTS SECTION

UNIFORM CLASSIFICATION OF ACCOUNTS

FOR

NATURAL GAS COMPANIES

PRESCRIBED BY

THE PUBLIC SERVICE COMMISSION

OF THE

COMMONWEALTH OF PENNSYLVANIA

EFFECTIVE JANUARY 1, 1920

HARRISBURG, PENNA:
1919

THE PUBLIC SERVICE COMMISSION

OF THE

COMMONWEALTH OF PENNSYLVANIA

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ORDER.

At an executive session of The Public Service Commission held at its offices in Harrisburg on the twenty-ninth day of July, 1919, the subject of a uniform classification of accounts to be prescribed for and kept by natural gas companies according to the provisions of Article V, Section 15, of The Public Service Company Law, approved July 26, 1913, being before the Commission and the matter having been duly heard at public hearing as provided by law:

IT IS ORDERED: That the classification of accounts with the definitions and instructions embodied in a typewritten form now before the Commission to be hereafter printed and known as the Uniform Classification of Accounts for Natural Gas Companies, be and the same is hereby approved;

IT IS FURTHER ORDERED: That the said Uniform Classification of Accounts for Natural Gas Companies, with instructions pertaining thereto, be and the same is hereby prescribed for use by natural gas companies subject to the provisions of The Public Service Company Law, approved July 26, 1913, and acts amendatory thereto, in the keeping and recording of their accounts; that each and every natural gas company, as defined in the said uniform classification of accounts, shall be required to keep all accounts in conformity therewith; and that a copy of said uniform classification of accounts be sent to each and every such natural gas company.

IT IS FURTHER ORDERED: That January 1, 1920, be and is hereby fixed as the date on which the said classification of accounts, with instructions pertaining thereto, be effective.

THE PUBLIC SERVICE COMMISSION OF THE COMMONWEALTH OF PENNSYLVANIA.

WM. D. B. AINEY,
Chairman.

ATTEST:

A. B. MILLAR,
Secretary.

(Seal.)

THE PUBLIC SERVICE COMMISSION OF THE COMMONWEALTH OF PENNSYLVANIA

BUREAU OF ACCOUNTS AND STATISTICS

Harrisburg, Pa., September 20, 1919.

To the Natural Gas Companies of Pennsylvania:

This Classification of Accounts for Natural Gas Companies is the result of the cooperation of the natural gas companies of Pennsylvania, Ohio, and West Virginia; representatives of the Public Utilities Commission of Ohio and the Public Service Commission of West Virginia, and others with the Bureau of Accounts and Statistics of The Public Service Commission of Pennsylvania in an effort to obtain a uniform system of accounts for natural gas companies. The bases of this cooperation were a "Tentative Scheme of Accounts for Natural Gas Companies" prepared by the Natural Gas Association of America, and a "Tentative Draft of Uniform Classification of Accounts for Natural Gas Companies" prepared by the Bureau of Accounts and Statistics and issued by it on October 1, 1918, to all the natural gas companies of Pennsylvania, to certain gas companies in adjacent states, to accountants, and to others interested in the affairs of natural gas companies and other public utilities, with the request that it be criticised, and suggestions for its improvement be offered by them. In compliance with this request valuable criticisms and suggestions were received by the Bureau from several sources.

Conferences were held in Pittsburgh with representatives of the natural gas industry to discuss the provisions of the Tentative Draft. At the final conference in Pittsburgh the Tentative Draft was discussed in detail. Several of the questions raised and objections to the classification as it then stood were reserved for further consideration by the Bureau, and those present were asked to submit in writing before the date set for a public hearing on the subject in Harrisburg, any additional suggestions they might have to offer.

Several additional suggestions were received following this conference and after consideration had been given to all points under discussion, the Bureau prepared and mailed to those affected by the classification, a paper showing the position it intended to take at the public hearing in regard to suggested changes.

At the public hearing held in Harrisburg on June 19, the position of the Bureau was stated, the argument of the Accounting Committee of the Natural Gas Association of America, representing the natural gas industry, was heard, and at the request of the Commission, it was agreed that a brief by the Accounting Committee and one by the Bureau of Accounts and Statistics supporting their respective positions would be submitted to the Commission before final action on disputed points would be taken.

These briefs were later submitted to the Commission and after due deliberation the Classification in its present form was adopted by them for the use of natural gas companies of Pennsylvania.

In accordance with an order of the Commission dated July 29, 1919, a copy of which is printed on page 6, the natural gas companies of Pennsylvania are required to keep all accounts in conformity with the rules and regulations prescribed in this "Uniform Classification of Accounts for Natural Gas Companies".

The Bureau of Accounts and Statistics acknowledges the assistance received in the preparation of this uniform system of accounts from the classifications prepared by the Interstate Commerce Commission for various utilities subject to its jurisdiction, the classifications prepared by the commissions of other states for various public utilities, the accountng methods of several corporations engaged in the natural gas industry, the Uniform System of Accounts of the American Gas Institute, and the Tentative Scheme of Accounts for Natural Gas Companies prepared by the Natural Gas Association of America. It also acknowledges its indebtedness to those companies that placed their men and facilities at the disposal of the Bureau for an exposition of the field operations of the natural gas industry, to Mr. H. E. Nease, Statistician of the Public Service Commission of West Virginia, to Mr. E. H. Hanna, Auditor of the Public Utilities Commission of Ohio, to Mr. H. C. Hasbrouck, Statistician, Public Service Commission of New York, Second District, to the individual members of the Accounting Committee of the Natural Gas Association of America, and to certain members of the accounting division of the United States Internal Revenue Department.

In case any natural gas company is in doubt as to the meaning of any account, definition, or instruction provided in this classification it is requested to communicate with The Public Service Commission for an official ruling.

R. F. BUSHER,
Chief.

GENERAL DEFINITIONS AND INSTRUCTIONS.

Natural Gas Utility.

In this classification of accounts the term Natural Gas Utility means any "Public Service Company", as defined in Article I, Section 1, of The Public Service Company Law, engaged in selling natural gas within the Commonwealth of Pennsylvania. It includes any body corporate, joint stock company, association, its lessees, assignees, trustees, receivers, or other successors in interest; any city, borough, town, township, or county; and any individual, partnership or association engaged in the natural gas business.

The expression "the utility" as used herein means in each instance any natural gas utility that is required to keep the accounts prescribed in this classification.

Classification of Natural Gas Utilities.

In this classification of accounts natural gas utilities are divided into four classes, as follows:

Class A—Natural gas utilities that have an average total annual operating revenue of more than $1,000,000.00.

Class B—Natural gas utilities that have an average total annual operating revenue of more than $250,000.00 but not more than $1,000,000.00.

Class C—Natural gas utilities that have an average total annual operating revenue of more than $50,000.00 but not more than $250,000.00.

Class D—Natural gas utilities that have an average total annual operating revenue of $50,000.00 or less.

If any company or individual maintains a natural gas system which derives most of its natural gas revenue from sales of its gas to consumers that are affiliated with it, or if any company which maintains a natural gas system primarily for its own use supplies gas to others and thereby becomes a public service company within the meaning of The Public Service Company Law, it may with the consent of The Public Service Commission first had and obtained keep the accounts prescribed for "Class D" companies provided its annual revenue from sales of gas to other consumers does not exceed fifty thousand dollars.

General Explanation of Accounting Plan.

In this classification accounts are divided into the following main divisions:

Balance Sheet Accounts
Fixed Capital Accounts
Income Accounts
Surplus Accounts

Each of these divisions of accounts is defined in the section of this classification allotted to it.

The "Balance Sheet Accounts" are prescribed alike for "Class A", "Class B", and "Class C" utilities. Each utility in each of these classes is required to record its assets and liabilities in the appropriate balance sheet accounts provided in this classification.

Special balance sheet accounts are prescribed for "Class D" utilities on pages 139, 140, and 141. The utilities in "Class D" may keep the balance sheet accounts prescribed for utilities in the other classes.

The detailed "Fixed Capital Accounts" for property acquired after December 31, 1919, are prescribed alike for "Class A", "Class B", "Class C", and "Class D" utilities. Each utility in each of these classes is required to record the various items of fixed capital that it acquires after December 31, 1919, in the appropriate fixed capital accounts provided in this classification.

The "Income Accounts" and "Surplus Accounts" are not prescribed alike for the different classes of utilities. A minimum number of accounts is prescribed for the utilities in each class. Each utility in each class is required to keep this minimum number of accounts in so far as such accounts apply to its activities. Utilities in "Class C" may, however, keep the accounts prescribed for "Class B" or "Class A" utilities and likewise utilities in "Class B" may keep the accounts prescribed for utilities in "Class A". A utility shall not, however, open an account which is not prescribed for its class until it has notified the Commission of its intention of doing so.

Special "Income Accounts" on pages 141, 142, and 143 and special "Surplus Accounts" on page 144 are prescribed for utilities in "Class D." The utilities in "Class D" may keep the income and surplus accounts prescribed for utilities in the other classes.

The income and surplus accounts of this classification which are defined and which are assigned specific numbers are primarily "Class A" accounts. Some of them, however, contain information which should be kept separately by each utility regardless of its class. Such accounts are therefore prescribed alike for "Class A", "Class B", "Class C", and "Class D" utilities. The other income and surplus accounts prescribed for "Class B", "Class C", and "Class D" utilities are not separately defined. They are the result of combining certain defined "Class A" accounts under titles that are each descriptive of a common characteristic of the accounts combined; thus in an account entitled "Metered Private Sales" "Class C" utilities record all those private sales which "Class A" utilities record separately in accounts 300 to 302 inclusive. In like manner "Class D" utilities record in an account entitled "Private Sales" all those private sales which "Class A" utilities record in accounts 300 to 302 inclusive, and accounts 306 to 309 inclusive. Any "Class C" utility, therefore, will find the substance of its "Metered Private Sales" account described in accounts 300 to 302 inclusive and any "Class D" utility will find the substance of its "Private Sales" account described in accounts 300 to 302 inclusive and accounts 306 to 309 inclusive. In like manner the content of any other account prescribed for "Class D", "Class C", or "Class B" utilities, which is not separately defined, is described in the various "Class A" accounts that constitute it.

The inter-relation of the income and surplus accounts prescribed for "Class A", "Class B", and "Class C" utilities is shown in the various sections of the "Index to Income Accounts Prescribed for Classes A B and C Natural Gas Utilities" and the "Index to Surplus Accounts Prescribed for Classes A B and C Natural Gas Utilities". In each of these indexes each account which the utilities in each class is required to keep is designated by the class letter of the utility; thus "Class C" utilities are required to keep all those accounts that are followed by the designations (Class C), (Classes B and C), or (Classes A B and C). In like manner "Class B" utilities are required to keep the accounts that are followed by the designations (Class B), (Classes B and C), or (Classes A B and C), and "Class A" utilities are required to keep those followed by the designations (Class A), (Classes A and B), or (Classes A B and C).

Where any "Class C" or "Class B" account is the result of combining certain "Class A" accounts these indexes show the "Class A" accounts combined to make the "Class C" or "Class B" account.

Special indexes which show the income and surplus accounts which are prescribed for "Class C" utilities only and which show the "Class A" accounts which constitute these "Class C" accounts, are provided.

Like special indexes are also provided for "Class B" utilities.

Any utility may subdivide any balance sheet, fixed capital, income, or surplus account in order to procure information which it may desire for its own use provided that in doing so it does not impair the integrity of any of the accounts prescribed.

A utility shall not open an account which is not prescribed in this classification until it has obtained permission to do so from The Public Service Commission.

Account Number.

The number prefixed to any account title in this classification is intended to be used for convenience in reference. Any such number need not be treated as a part of the account title to which it is prefixed.

Method of Bookkeeping.

Every natural gas utility, which is subject to "The Public Service Company Law" of the Commonwealth of Pennsylvania, shall on and after January 1, 1920, keep its accounts by the double entry method.

This requirement does not apply to purely statistical accounts.

Accounting Period.

It is desired that each natural gas utility select the month as its accounting period and that it make its bookkeeping entries on a monthly basis. It may select a three month or any other base. It will, however, be required to close its books at the end of its fiscal year which under ruling of The Public Service Commission is the year ending December thirty-first.

Records.

Each natural gas utility shall so keep its general accounting books, and all other books and records which support in any way the entries to such accounting books, that it can furnish at any time full information as to any account kept by it. Moreover it shall support each entry to each account with such detailed information as will enable a ready identification and verification of the facts recorded therein.

The records referred to herein include not only accounting records, but all other records such as minute books, etc., which will be useful in developing the history of any of the utility's transactions.

Each natural gas utility shall not destroy or otherwise dispose of any records which support entries to any of its accounts until it has been authorized to do so by The Public Service Commission.

Moreover each natural gas utility is required under Article II, Section 1, (j), of "The Public Service Company Law" of the Commonwealth of Pennsylvania to keep all books, accounts, records and memoranda in an office within the Commonwealth of Pennsylvania. Furthermore, it shall not remove any of them from the Commonwealth except upon such terms and conditions as The Public Service Commission may prescribe.

General Definitions and Instructions.

Affiliated Companies.

In this classification affiliated companies include those companies which the utility solely or jointly controls; those companies which solely or jointly control the utility; those companies that are controlled by companies which the utility controls; those companies which are controlled by companies which control the utility.

Control.

Control means the ability to determine the action of a company. Such control is sole when it rests in one company. It is joint when it rests in two or more companies and is exercised under a joint arrangement.

Forms of Control.

One company may exercise control over another through its title to a major portion of the voting securities of such company; through an agreement which enables it to name the majority of the directors, managers, or trustees of such company; through its ability to foreclose a first lien mortgage on all or a major part in value of the property of such company; through its advances for construction, equipment, additions, or betterments, made to such company and conditioned upon the right to determine its action; through any other right that it may possess to influence the policy of such company in any respect.

A leasehold interest in property of a company is not a form of control over that company.

Accounts as Factors in Rate Making.

In prescribing this system of accounts, the Commission does not bind itself to approve any item set out in any account either as to amount or character for rate making purposes. The classification of accounts is designed to set out the facts in connection with the utilities fixed capital, income, expense, etc., and the Commission, when engaged in making or approving rates, will determine from the facts in each case, just what consideration shall be given to the various items in the several accounts.

Accounts for Mixed Gas Operations.

Natural gas companies that produce artificial gas for the purpose of mixing it with natural gas shall, in addition to the accounts prescribed in this classification keep the "Fixed Capital" and other accounts applicable to such production that will be provided in the Uniform Classification of Accounts for Artificial Gas Companies.

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BALANCE SHEET ACCOUNTS.

Definitions and Instructions.

Balance Sheet Accounts.

Balance sheet accounts are those which record the assets and liabilities of the utility and show its financial condition at any particular time.

In this classification each balance sheet account is a separate general ledger account.

Assets.

The assets of the utility are the properties or wealth in its possession or at its disposal.

Liabilities.

The liabilities of the utility are the amounts of money or money's worth which it is under legal obligation to pay, deliver, or render to others.

Debt Discount and Expense.

Discounts and expenses incurred by the utility upon bonds and all other evidences of indebtedness issued by it in payment for fixed capital items shall be charged to "130. Unamortized Debt Discount and Expense" account if such debt matures more than one year after the date of its issue; or to "135. Other Deferred Charges" account if it matures one year or less after the date of its issue. Except as provided in "266. Interest During Construction" account, discount and expenses incurred in the issue of funded debt shall not be charged to any fixed capital account.

Contingent Assets and Liabilities.

Contingent assets are those assets which at the end of any accounting period have no real value but which, if certain conditions then regarded as uncertain are fulfilled, will become valuable.

Contingent liabilities are those liabilities which at the end of any accounting period are neither direct nor assumed obligations of the utility but which may under certain conditions become real obligations.

Such assets and liabilities shall be recorded separately and shall not be shown as a part of the regular assets and liabilities in any balance sheet which the utility submits to The Public Service Commission. They shall be shown in detail in a supplemental statement.

Capital Stock.

Capital stock as herein used means those issues of securities which represent permanent interests in the corporation, or interests which, if terminable, are so, except in case of dissolution, only at the option of the corporation issuing them.

Capital stock may be divided into preferred stock and common stock.

Preferred stock is that stock which has been given special rights as to the distribution of profits or assets, or has been given some other privilege not enjoyed by the remaining stock of the same corporation. It may be cumulative or noncumulative, participating or nonparticipating.

Cumulative stock is dividend bearing preferred stock on which that portion of the stipulated dividend remaining unpaid at the close of any year must subsequently be paid before a dividend can be paid on any other class of stock. Preferred stock for which such a dividend provision has not been made is noncumulative.

Participating stock is stock which is entitled to participate in a share of the profits of the corporation in excess of its stipulated dividend rate. Nonparticipating stock is entitled to that share of the corporation's profits only that is stipulated by its dividend rate.

Common stock is that stock which shares in the distribution of the corporation's profits only after the dividend claims of all other classes of stock have been paid.

DEBT.

Debt, as herein used, includes all absolute obligations to pay money at a definite time or times, or at a time or times which can be made definite by demand or other act of the creditor. It does not include contingent obligations, such as obligations to pay rent in advance or liabilities of indorsers upon paper not yet defaulted.

In this classification debt is divided into two classes, Funded Debt and Unfunded Debt.

Funded Debt comprises all debt which, by the terms of its issue does not mature until more than one year after the date of such issue.

Unfunded Debt comprises all debt which, by the terms of its issue matures one year or less after the date of such issue.

TEXT EXPLANATORY OF BALANCE SHEET ACCOUNTS.

ASSET ACCOUNTS.

I. FIXED CAPITAL ACCOUNTS.

100. Fixed Capital Installed Prior to January 1, 1920.

Charge to this account the book value, at the close of December 31, 1919, of all fixed capital owned and used by the utility in the conduct of its natural gas operations. No charge shall be made to this account for any fixed capital acquired after December 31, 1919.

When any item of fixed capital carried in this account is retired from service, credit to this account the amount at which it is carried herein, charge to the appropriate sub-account of "121. Materials and Supplies" account any salvage recovered from it; charge to "183. Depreciation of Structures and Equipment Reserve" account the amount reserved from January 1, 1920, to provide for the loss suffered by it since that date from wear, tear, obsolescence, etc.; charge to the reserve account provided prior to January 1, 1920, the accumulated amount reserved at the close of December 31, 1919, to provide for like loss suffered by it; and charge either to "709. Amortization Unprovided for Elsewhere" or to "131. Property Abandoned" account, as The Public Service Commission may direct, the net loss sustained on it.

The charge to "131. Property Abandoned" account shall be made on the basis of the money cost of such fixed capital less the amount of salvage recovered therefrom and the amount reserved for depreciation thereof.

Any excess of the amount at which such retired fixed capital is carried in this account over its money cost shall be charged to "709. Amortization Unprovided for Elsewhere" account.

This account is a controlling account of the various accounts that were combined on January 1, 1919, to make it.

101. Fixed Capital Installed Since December 31, 1919.

Charge to this account the cost of all fixed capital installed since December 31, 1919, and used by the utility in the conduct of its natural gas operations.

This account is a controlling account for accounts 200 to 267 inclusive.

When any item of fixed capital carried in this account is retired from service, the utility in recording this retirement shall follow as far as applicable the procedure outlined in th second paragraph of account 100.

102. Cost of Fixed Capital Purchased.

Charge to this account the cash value of the consideration given for fixed capital in the form of a going or completed natural gas system or of any portion of such system and all other kinds of fixed capital purchased by the utility from natural gas and other utilities.

The constituent elements of such fixed capital shall be appraised at their structural values, that is, at the estimated cost of replacement or reproduction less deterioration due to wear and tear, obsolescence and inadequacy.

When the fixed capital purchased has been so appraised, credit to this account the purchase price and charge to the appropriate fixed capital accounts either the appraised value or the purchase price. If the purchase price is in excess of the appraised value charge the constituent elements to the proper fixed capital accounts at the appraised values and charge the excess to "203. Other Undistributed Fixed Capital" account. If the purchase price was not in excess of the appraised value, charge the constituent elements to the fixed capital accounts at the purchase price distributed through such accounts on the basis of the appraised values.

The utility shall so keep its records of such purchase that they will show a complete account of the contract under which such property is acquired, the consideration given therefor, the basis of determining the actual money value of such consideration if other than money, the method of appraisal, the amount charged to each fixed capital account and the disposition of any difference between the purchase price and appraised value of such property.

In connection with the purchase of property chargeable to this account the utility shall procure all existing records, memoranda, and books of accounts in the possession or control of the grantor relating to the construction and improvement of such property and shall preserve such records, memoranda, and books of accounts until authorized by The Public Service Commission to destroy or otherwise dispose of them. If it is impracticable to transfer such records, memoranda, and books of accounts, the utility shall procure copies of them certified by the custodian of the originals.

103. Construction Work in Progress.

Charge to this account all expenditures under estimates, work orders, or other forms of authorization for structures and equipment in process of construction. Such expenditures shall also include that proportion of expenses of supervision, engineering, tools, store, and other like general expenses that may be assigned to such construction work. When such work is completed, credit this account and charge to the appropriate fixed capital or other accounts the cost of the completed work.

This account shall be so carried that the utility can furnish a complete analysis of the expenditures under each estimate, work order, or other form of authorization.

II. INVESTMENT ACCOUNTS.

104. Investment Securities.

Charge to this account the cost of stocks, bonds, notes, and other evidences of indebtedness each of which does not mature until more than one year after the date of issue, held by the utility for the purpose of exercising control over other companies whether utilities or non utilities, for the income that may be derived from such securities, for securing advantages, or for any other purpose.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the purpose of holding and the cost of the following kinds of investment securities owned by it:

BALANCE SHEET ACCOUNTS.

STOCKS OF AFFILIATED NATURAL GAS UTILITIES
STOCKS OF OTHER AFFILIATED UTILITIES
STOCKS OF AFFILIATED NON UTILITIES
FUNDED DEBT OF AFFILIATED NATURAL GAS UTILITIES
FUNDED DEBT OF OTHER AFFILIATED UTILITIES
FUNDED DEBT OF AFFILIATED NON UTILITIES
OTHER STOCKS
OTHER FUNDED DEBT

105. PROPERTY USED IN OTHER PUBLIC SERVICES.

Charge to this account the cost of land, structures, and equipment owned by the utility and used by it in rendering public services other than natural gas.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the kind and cost of property used in each other public service, such as water, electric, etc.

106. ADVANCES TO AFFILIATED COMPANIES FOR CONSTRUCTION, EQUIPMENT, OR ADDITIONS AND BETTERMENTS.

Charge to this account the amounts of advances made by the utility to its affiliated companies, whether utilities or non utilities, to enable them to pay for construction, equipment, or additions and betterments.

In order that such advances may be charged to this account it must be understood that they are not to be repaid within one year or that they are to be repaid in securities of the companies to which the advances were made.

Exclude from this account and charge to "707. GIFTS TO AFFILIATED COMPANIES" account the amounts of advances that are made to affiliated companies without expectation of reimbursement.

Exclude also from this account and charge to "118. ACCOUNTS RECEIVABLE FROM AFFILIATED COMPANIES" account the amounts of temporary advances on current accounts to affiliated companies.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the amounts advanced to each affiliated company, the length of time for which each advance is made, how it is to be repaid, whether or not each affiliated company to which an advance is made is a utility or non utility and if it is a utility, the kind of public service that it renders.

107. OTHER INVESTMENTS.

Charge to this account the cost of land, structures, and equipment owned by the utility and not used in rendering public service of any kind.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the cost of each different kind of property charged to this account and the purpose for which it was acquired.

III. REACQUIRED SECURITIES ACCOUNTS.

108. Reacquired Capital Stock.

Charge to this account the cost of capital stock issued by the utility to bona fide holders for valuable considerations and reacquired by it under circumstances that do not permit it to treat such stock as paid or retired. Charge also to this account the cost of capital stock issued by others and assumed by the utility and later acquired by it under like circumstances.

109. Reacquired Bonds.

Charge to this account the cost of bonds issued by the utility to bona fide holders for valuable considerations and reacquired by it under circumstances that do not permit it to treat such securities as paid or retired. Charge also to this account the cost of bonds issued by others and assumed by the utility and later acquired by it under like circumstances.

IV. FUND ACCOUNTS.

110. Sinking Fund Assets.

Charge to this account the amount of cash, the cost of securities of other companies, the cost of securities issued or assumed by the utility, and all other assets, which are in possession of the treasurer, trustee or other fiscal agent of the utility in charge of sinking funds provided by the utility for the purpose of redeeming its funded debt issued subject to sinking fund requirements. Among the above assets shall be included amounts deposited with such treasurer or other agent of the utility on account of the sale of mortgaged property, the proceeds of which are required to be held for the redemption of such funded debt.

The records supporting the entries to this account shall be so kept that the utility can furnish full information as to each sinking fund set aside for each class of funded debt.

111. Insurance and Other Reserve Fund Assets.

Charge to this account the amount of cash, the cost of securities of other companies, the cost of securities issued or assumed by the utility, and all other assets in possession of the treasurer, trustee, or other agent of the utility, which have been specifically set aside or invested by the utility for the purpose of providing for insurance, pension, workmen's compensation and other funds.

Exclude from this account special deposit and sinking fund assets.

The records supporting the entries to this account shall be so kept that the utility can furnish full information as to each fund carried herein.

V. SPECIAL DEPOSIT ACCOUNTS.

112. Interest Special Deposits.

Charge to this account all moneys and bank credits specially deposited with fiscal or other agents of the utility, for the payment of interest.

When such interest is paid from these deposits, credit to this account and charge to either "168. Matured Interest on Funded Debt" or "169. Matured Interest on Unfunded Debt" account the amount of it.

113. Dividend Special Deposits.

Charge to this account all moneys and bank credits specially deposited with fiscal, or other agents of the utility, for the payment of dividends declared by the utility.

When such dividends are paid from these deposits credit to this account and charge to "170. Dividends Payable" account the amount of them.

114. Other Special Deposits.

Charge to this account all moneys and bank credits deposited with fiscal, or other agents of the utility, for special purposes other than the payment of interest and dividends.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the amount and purpose of each deposit.

When such purposes are satisfied credit to this account the amount set aside to provide such satisfaction.

VI. CURRENT ASSET ACCOUNTS.

115. Cash.

Charge to this account all money coming into the possession of the utility and in which the utility has the beneficial interest. Such money includes coin of the United States, United States treasury notes, gold and silver certificates, greenbacks, bank bills payable to bearer, all bank credits, checks and drafts receivable, subject to satisfaction or transfer upon demand whether payable to bearer or to order.

Credit to this account all cash disbursements of the utility.

116. Notes Receivable.

Charge to this account the cost of all negotiable paper in the form of notes receivable or other similar evidences of money receivable on demand or within a time not exceeding one year. Such notes receivable shall include demand notes, drafts, etc., issued by others than banks, and time notes, drafts, etc., by whomsoever issued.

Exclude from this account and charge to "104. Investment Securities" account, the cost of notes which do not mature until more than one year after the date of issue.

When loans to affiliated companies for construction purposes are evidenced by demand or short term notes intended later to be exchanged for other securities charge the amount of such loans to "106. Advances to Affiliated Companies for Construction, Equipment or Additions and Betterments" account.

117. Accounts Receivable from Consumers.

Charge to this account the amounts due from consumers for natural gas sold to them.

This account is a controlling account of the various accounts in the consumers' ledger.

The data supporting the sale of natural gas to consumers shall be so kept that the utility can furnish information as to the amount due from sales of natural gas to each class of consumers, the quantity of natural gas sold during each accounting period to each consumer in each class, the rate charged him, and, in case natural gas is sold him at different rates, the quantity sold him at each rate.

When the amount due from any consumer proves to be uncollectible, credit it to this account and charge it either to "452. UNCOLLECTIBLE CONSUMERS' ACCOUNTS" account if it was charged to this account during the current year, or to "712. UNCOLLECTIBLE CONSUMERS' ACCOUNTS—OLD YEAR" account, if it was charged to this account prior to the current year. If the utility has provided a reserve for uncollectible accounts, charge it to "182. UNCOLLECTIBLE CONSUMERS' ACCOUNTS RESERVE" account.

118. ACCOUNTS RECEIVABLE FROM AFFILIATED COMPANIES.

Charge to this account the amounts due the utility from affiliated companies whether utilities or non utilities, on all current transactions other than sales of natural gas.

Exclude from this account amounts due from affiliated companies that are chargeable to "106. ADVANCES TO AFFILIATED COMPANIES FOR CONSTRUCTION, EQUIPMENT, OR ADDITIONS AND BETTERMENTS" account.

119. OTHER ACCOUNTS RECEIVABLE.

Charge to this account all amounts owed to the utility upon accounts with solvent concerns or individuals, other than affiliated companies and consumers, and all accounts and claims, except notes receivable, upon which responsibility is acknowledged by solvent concerns or individuals, or which are sufficiently secured to be considered good; and amounts of all judgments against solvent concerns or individuals where the judgments are not appealable or suspended through appeal.

Exclude from this account and charge to "115. CASH" or other appropriate account, cash deposited with banks or trust companies.

120. MATURED INTEREST AND RENTS RECEIVABLE.

Charge, at the date of maturity, to this account and credit to "124. UNMATURED INTEREST AND RENTS RECEIVABLE" account the amounts of interest matured upon bonds, notes receivable or other commercial paper held by or for the benefit of the utility and upon all interest bearing accounts due it; also the amounts of rents matured upon property leased by the utility to others.

When such interest or rent is received, credit to this account and charge to "115. CASH" or other appropriate account the amount of it.

121. MATERIALS AND SUPPLIES.

Charge to this account the cost, including transportation and other incidental expenditures, of all materials and supplies purchased which are carried in stock pending their use for construction, operation or

resale. Exclude from this account such materials and supplies as are directly chargeable to fixed capital or operating expense accounts.

Inventories of materials and supplies on hand shall be taken at least annually, and any shortages or overages disclosed by such inventories shall be credited or debited to this account and debited or credited to "458. Inventory Adjustments" account, in case they cannot be assigned to specific accounts. Where such materials and supplies have been consumed in construction, a suitable proportion of such shortages or overages may be debited or credited to "267. Other Expenditures During Construction" account.

122. Subscriptions to Capital Stock.

Charge to this account and credit to "172. Capital Stock Subscribed" account the amounts of the utility's capital stock subscribed.

Credit to this account and charge to "115. Cash" account or other appropriate account the amounts paid to the utility by the subscribers to its capital stock.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the name and address of each subscriber, the amount and kind of capital stock subscribed by him, the date of his subscription, the date that each of his payments is due and the date that each is paid, the nature of each payment whether cash or otherwise, and any other information that is necessary to make the history of his subscription complete.

123. Other Current Assets.

Charge to this account the cost of all current assets of the utility which are not provided for in any of the preceding current asset accounts.

VII. ACCRUED ASSET ACCOUNT.

124. Unmatured Interest and Rents Receivable.

Charge to this account and credit to the appropriate revenue accounts the amounts of interest accrued during each accounting period upon bonds, notes receivable or other commercial paper held by or for the benefit of the utility, and upon all interest bearing accounts due it; also the amounts of rents accrued during each accounting period upon property leased by the utility to others.

When such interest or rent matures credit to this account and charge to "120. Matured Interest and Rents Receivable" account the amount of it.

VIII. PREPAID ACCOUNTS.

125. Prepaid Insurance.

Charge to this account all premiums paid on insurance policies in advance of their accrual. As such premiums accrue credit to this account and charge to "455. Other Insurance" account the amount which has accrued.

126. Prepaid Interest.

Charge to this account all interest on the funded or unfunded debt of the utility paid in advance of its accrual. As such interest accrues credit to this account and charge to the appropriate accrued interest account the amount of it.

127. Prepaid Taxes.

Charge to this account all taxes paid in advance of their accrual. As such taxes accrue, credit to this account and charge to "176. Taxes Accrued" account the amount of them.

128. Other Prepaid Accounts.

Charge to this account all amounts paid by the utility in advance and not provided for in any of the preceding prepaid accounts.

IX. DEFERRED CHARGE ACCOUNTS.

129. Discount on Capital Stock.

Charge to this account the amount of discount on each class of capital stock issued by the utility.

By discount is meant the excess of the par value of any class of capital stock over the actual cash value of the consideration received for it.

The discount charged to this account for any class of stock shall not be cleared from this account until it is offset either by premiums received on the same class of stock, or by assessments levied on the holders of the stock on which it was incurred, or until such stock is retired.

Discount on capital stock shall not in any case be charged to any "Fixed Capital Account" or to any "Income Account."

This account is intended for natural gas utilities only that are permitted under the terms of their charters to issue capital stock for a consideration less than par value.

130. Unamortized Debt Discount and Expense.

Charge to this account all discounts and necessary expenses incurred in the issue by the utility of bonds and other evidences of indebtedness which mature more than one year from the date of their issue.

By discount is meant the excess of the par value of such evidences of indebtedness, plus the interest accrued thereon at the time of their issue, over the actual cash value of the consideration received for them.

Necessary expenses incurred in the issue of such evidences of indebtedness shall include fees for drafting mortgages and trust deeds, fees and taxes for recording mortgages and trust deeds, fees to trustees provided in mortgages and trust deeds, fees to underwriters and brokers for marketing such evidences of indebtedness, and other expenses of like character; the cost of engraving and printing bonds, certificates of indebtedness, and other commercial paper.

Discount on bonds and other evidences of indebtedness issued by others, and later assumed by the utility, shall be included in this account.

Balance Sheet Accounts.

At or before the close of each fiscal period, credit to this account and charge to "608. Amortization of Debt Discount and Expense" account, or to "266. Interest During Construction" account as provided therein, a proportion of such discount and expense based upon the life of such evidences of indebtedness to date of maturity. Such discount and expense may, if desired, be amortized more rapidly through charges of all or any part of it, either at the time of issue or later, to "711. Other Deductions from Surplus" account.

131. Property Abandoned.

Charge to this account the money cost, estimated if not known, less the salvage and the accumulated amount reserved for the depreciation thereof of any important piece of property, other than land, which the utility itself abandons for the purpose of replacing it with more efficient property, or which, on account of public necessity or the requirement of lawful authority it is compelled to abandon before such property has attained its normal life of service.

Before making any entries to this account the utility shall obtain the approval of The Public Service Commission.

The loss on abandoned property registered in this account shall be amortized over a period of years by charges either to "476. Extraordinary Depreciation" or "709. Amortization Unprovided for Elsewhere" account as The Public Service Commission may direct.

132. Extraordinary Casualties.

Charge to this account extraordinary losses, such as unforseen damages to property, that cannot by any reasonable plan be anticipated. Those casualties which occur with such frequency, that the principles of ordinary insurance are applicable thereto, shall be provided for either through an insurance reserve maintained by the utility itself, or by insurance with others.

Before making any entries to this account the utility shall obtain the approval of The Public Service Commission.

The extraordinary losses registered in this account shall be amortized over a period of years by charges either to "476. Extraordinary Depreciation" or to "709. Amortization Unprovided for Elsewhere" account as The Public Service Commission may direct.

133. Non Productive Well Drilling Expense.

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in drilling for gas which results in dry holes or non productive wells.

The losses registered in this account shall be amortized over a period of years by charges either to "476. Extraordinary Depreciation" or to "709. Amortization Unprovided for Elsewhere" account.

134. Preliminary Survey and Investigation Charges.

Charge to this account, until their final disposition is definitely determined, all expenditures for preliminary surveys, plans, investigations, etc., made for determining the feasibility of projects under contemplation.

If any such project is later completed, credit to this account and charge to the proper fixed capital account the amount expended for such preliminary work or investigations. If it is abandoned, charge such amount to "711. Other Deductions from Surplus" account.

135. Other Deferred Charges.

Charge to this account all deferred charges not provided for elsewhere which are later to be charged to income or surplus account over a period of time.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to each deferred charge carried herein.

BALANCE SHEET ACCOUNTS.

LIABILITY ACCOUNTS.

I. CORPORATE CAPITAL LIABILITY ACCOUNTS.

150. CAPITAL STOCK.

Credit to this account the par value of the certificates of each class of capital stock issued and outstanding.

Capital stock is issued when in conformance with Article XVI, Section 7, of the Constitution of the Commonwealth of Pennsylvania it is issued by a corporation to a bona fide holder "for money, labor done, or money or property actually received".

As long as it is in possession of a bona fide holder and is free from all control of the utility it is actually outstanding. It is nominally outstanding when after being issued it is reacquired by the utility and is held by it under conditions that do not permit it to retire such stock.

The records supporting the entries to this account shall be so kept that they will show separately the par value of those certificates of stock that are actually and nominally outstanding. In addition they will show each class of stock issued such as Common Stock, Preferred Stock, etc., with such sub-classification as is necessary because of differences in dividend rights, voting rights, and conditions of retirement.

When any class of capital stock is issued, the records supporting the entry to this account of such issue shall show complete details as to whom it is issued and the consideration, cash or otherwise, for which it is issued.

Exclude from this account and credit to "153. PREMIUM ON CAPITAL STOCK" account all premiums realized on capital stock.

151. INSTALLMENTS PAID ON CAPITAL STOCK SUBSCRIPTIONS.

Credit to this account and charge to "172. CAPITAL STOCK SUBSCRIBED" account the amounts paid in installments to the utility by subscribers to its capital stock. When each subscriber has fully paid for his subscription and has received properly executed stock certificates from the utility in acknowledgment of the payment of his obligation, charge to this account and credit to "150. CAPITAL STOCK" account the par value of the stock issued to him.

152. STOCK LIABILITY FOR CONVERSION OF SECURITIES.

Credit to this account the par value of capital stock which the utility has agreed to exchange for the property of other utilities under terms which require the stockholders of such utilities to surrender the securities held by them and accept in return therefor stock of the utility.

When such securities have been surrendered, charge this account and credit "150. CAPITAL STOCK" account.

153. PREMIUM ON CAPITAL STOCK.

Credit to this account the amount realized in excess of the par value of each class of stock which is disposed of for a consideration, the cash value of which is greater than the par value. The amount thus realized

shall constitute a capital stock liability and shall not be treated either as a profit and loss or surplus item available for dividends. It shall remain in this account until the stock on which it was realized is retired.

The records supporting the entries to this account shall be so kept that they will show the premium realized on each class of stock issued or assumed by the utility.

II. NON CORPORATE PROPRIETORSHIP ACCOUNTS.

154. Sole Proprietorship.

Credit to this account all contributions made to the utility by its proprietor and, at the end of each fiscal period, the net profit, if any, realized during such period. Charge to this account all withdrawals from the utility by its proprietor and, at the end of each fiscal period, the net loss, if any, suffered during such period.

155. Partnership.

Credit to the account of each partner carried hereunder the contributions made to the utility by each partner and, at the end of each fiscal period, each partner's portion of the net profits, if any, realized during such period. Charge to each such account the withdrawals from the utility by each partner and, at the end of each fiscal period, each partner's portion of the net loss suffered during such period.

III. FUNDED DEBT ACCOUNTS.

156. Bonds.

Credit to this account the par value of bonds issued and outstanding which do not mature until more than one year after the date of their issue. Such bonds shall include those issued by the utility itself and those issued by others and later assumed by the utility.

Bonds are issued when in conformance with Article XVI, Section 7, of the Constitution of the Commonwealth of Pennsylvania, they are issued to bona fide holders "for money, labor done, or money or property actually received".

As long as they are in possession of bona fide holders and are free from all control of the utility they are actually outstanding. They are nominally outstanding when after they have been issued they are reacquired by the utility and are held by it under conditions that do not permit it to retire them.

The records supporting the entries to this account shall be so kept that they will show separately the par value of those bonds that are actually and nominally outstanding at any accounting period. In addition they will show each class of bonds such as Mortgage Bonds, Collateral Trust Bonds, Income Bonds, etc., with such sub-classification as is necessary because of differences in underlying security, rate of interest, interest date, and date of maturity.

When any bonds are issued the records supporting the entries to this account of such issues shall show complete details as to when they are issued and the consideration cash or otherwise, for which they are issued.

When bonds mature, charge, at the date of maturity, to this account and credit to "167. Matured Funded Debt" account the par value of such bonds.

Exclude from this account discounts and premiums on bonds. Charge discounts to "130. Unamortized Debt Discount and Expense" account and credit premiums to "178. Unamortized Premium on Debt" account.

157. Real Estate Mortgages.

Credit to this account the amount of any debt except that evidenced by bonds, which is secured by a real estate mortgage and which does not mature until more than one year after the date of the issue of such mortgage.

When any debt credited to this account is not paid at maturity, charge to this account and credit to "167. Matured Funded Debt" account, the amount of it.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the name of each party to whom a real estate mortgage is issued, the purpose for which it is issued, its amount, interest rate, interest dates, and date of maturity.

158. Advances from Affiliated Companies for Construction, Equipment or Additions and Betterments.

Credit to this account the amounts of advances received by the utility from affiliated companies, whether utilities or non utilities, to enable it to pay for construction, equipment, or additions and betterments.

In order that such advances may be credited to this account, it must be understood that they are not to be repaid within one year, or that they are to be repaid in securities of the utility.

Exclude from this account and credit to "186. Surplus Invested in Fixed Capital After January 1, 1920" account, the amounts of advances that are received by the utility from affiliated companies without expectation of reimbursement.

Exclude also from this account and credit to "165. Accounts Payable to Affiliated Companies" account, the amounts of temporary advances on current accounts received by the utility from affiliated companies.

When any such advance credited to this account is not paid when it becomes due, charge to this account and credit to "167. Matured Funded Debt" account the amount of it.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the amounts of advances received from each affiliated company, the length of time for which each such advance is made, how it is to be repaid, whether or not each affiliated company from which an advance is received is a utility or non utility, and if it is a utility the kind of public service that it renders.

159. Other Funded Debt.

Credit to this account all debt for which the utility is liable, which does not mature until more than one year after the date it was incurred, except the debt that is carried in "156. Bonds" and "157. Real Estate Mortgages" accounts and also the debt due affiliated companies, which is carried in "158. Advances from Affiliated Companies for Construction, Equipment, or Additions and Betterments" account. Such debt shall

include all notes payable and receiver's certificates, etc., issued for more than one year, all permissible chattel mortgages and all other evidences of indebtedness not issued in series.

When any debt credited to this account is not paid when it becomes due, charge to this account and credit to "167. Matured Funded Debt" account the amount of it.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the amount and nature of each kind of debt carried herein, to whom it is owed, when it was incurred, and when it is payable.

IV. CURRENT LIABILITY ACCOUNTS.

160. Receiver's Certificates.

Credit to this account the par value of certificates of indebtedness issued upon the property of the utility which is in the possession of any receiver who is acting under the orders of a court of competent jurisdiction.

161. Judgments.

Credit to this account the amount of any judgment of indebtedness that is rendered by a court of competent jurisdiction against the utility or any fine or penalty, requiring the payment of money, that is assessed by such court against the utility, and from which no appeal accompanied by stay of execution has been taken within the time allowed by the law for such appeal.

The entries to this account shall show the character of the action or suit, as a consequence of which such judgment is pronounced or penalty assessed, parties thereto, the court in which tried and the term thereof.

162. Workmen's Compensation.

Credit to this account and charge to "181. Injuries and Damages Reserve" account the full amount that the utility is required under the Workmen's Compensation Act to pay, over a period of time, to employees for injuries received by them in the service of the utility. When payments are made to employees for such injuries, charge to this account and credit to "115. Cash" or other appropriate account the amount paid.

This account shall be carried by those utilities only that have permission from the Workmen's Compensation Board to carry their own risks.

163. Notes Payable.

Credit to this account the par value of all notes, drafts, and other evidences of indebtedness issued or assumed by the utility, and payable either on demand or within a time not exceeding one year from the date of issue.

When loans from affiliated companies for construction purposes are evidenced by demand or short term notes intended later to be exchanged for other securities of the utility, exclude the amounts of such loans from this account and credit them to "158. Advances from Affiliated Companies for Construction, Equipment, or Additions and Betterments" account.

BALANCE SHEET ACCOUNTS.

164. CONSUMERS' DEPOSITS.

Credit to this account, as such deposits are made, all cash deposited with the utility by consumers as security for the payment of natural gas bills. Charge to this account and credit to "115. CASH" account the amount of each deposit refunded.

At the close of each fiscal period or earlier, the utility may charge to this account and credit to the appropriate consumers' accounts the deposits of those consumers whose accounts prove to be uncollectible.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the date and the amount of each deposit; the name and address of the consumer making the deposit; the date such deposit is refunded, and the amount of interest paid thereon.

165. ACCOUNTS PAYABLE TO AFFILIATED COMPANIES.

Credit to this account the amounts owed by the utility to affiliated companies, whether utilities or non utilities, on current accounts.

Exclude from this account the amounts owed to affiliated companies that are applicable to "158. ADVANCES FROM AFFILIATED COMPANIES FOR CONSTRUCTION, EQUIPMENT, OR ADDITIONS AND BETTERMENTS" account.

166. OTHER ACCOUNTS PAYABLE.

Credit to this account all amounts which the utility owes to miscellaneous creditors on current accounts not provided for elsewhere. Such amounts shall include salaries and wages, audited bills, vouchers, etc.

167. MATURED FUNDED DEBT.

Credit, at the date of maturity, to this account and charge to "150. BONDS" account the par value of bonds which have matured.

When such bonds have been properly cancelled, charge to this account and credit to "114. OTHER SPECIAL DEPOSITS" account or other appropriate account, the amount of them.

Credit also at the date of maturity, to this account and charge to the appropriate account under funded debt, the face value of real estate mortgages and other items of funded debt which have matured and which are not paid at the date of maturity.

168. MATURED INTEREST ON FUNDED DEBT.

Credit, at the date of maturity, to this account and charge to "174. UNMATURED INTEREST ACCRUED ON FUNDED DEBT" account the interest matured upon the funded indebtedness of the utility.

When the coupons or other evidences of the payment of such interest have been properly canceled and returned, charge to this account and credit to "112. INTEREST SPECIAL DEPOSITS" or other appropriate account the amount of such interest.

Balance Sheet Accounts.

169. Matured Interest on Unfunded Debt.

Credit, at the date of maturity, to this account and charge to "175. Unmatured Interest Accrued on Unfunded Debt" account the interest matured upon any unfunded debt of the utility.

When such interest is paid, charge to this account and credit to "115. Cash" or other appropriate account the amount of it.

170. Dividends Payable.

Credit, when declared, to this account and charge either to "652. Net Income Appropriated for Dividends" or to "705. Surplus Appropriated for Dividends" account the amounts of dividends declared on any issue of capital stock of the utility.

When such dividends are paid, charge to this account and credit to "113. Dividend Special Deposits" or other appropriate account the amount of them.

171. Service Billed in Advance.

Credit to this account and charge to "117. Accounts Receivable from Consumers" account the amounts of bills rendered for natural gas which is to be supplied in future months.

At the end of each accounting period charge to this account and credit to the appropriate revenue account the amount of revenue applicable to each accounting period.

172. Capital Stock Subscribed.

Credit to this account and charge to "122. Subscriptions to Capital Stock" account the amounts of the utility's capital stock subscribed.

Charge to this account and credit, according as subscriptions are paid for in full at one time or in installments, either to "150. Capital Stock" account or "151. Installments Paid on Capital Stock Subscriptions" account the amounts paid to the utility by the subscribers to its capital stock.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the name and address of each subscriber, the amount and kind of capital stock subscribed by him, the date of his subscription, the date that each of his payments is due and the date that each is paid, the nature of each payment whether cash or otherwise, and any other information that is necessary to make the history of his subscription complete.

173. Other Current Liabilities.

Credit to this account the amounts of all current liabilities of the utility not provided for elsewhere.

V. ACCRUED LIABILITY ACCOUNTS.

174. Unmatured Interest Accrued on Funded Debt.

Credit to this account and charge to "603. Interest Accrued on Funded Debt" account the amount of interest accrued during each accounting period upon the funded indebtedness of the utility.

When such interest matures, charge to this account and credit to "168. Matured Interest on Funded Debt" account the amount of it.

When bonds or other securities are retired between interest paying dates, charge to this account the amount of the interest accrued thereon to the date of retirement.

175. Unmatured Interest Accrued on Unfunded Debt.

Credit to this account and charge to "604. Interest Accrued on Unfunded Debt" account the amount of interest accrued during each accounting period upon the unfunded indebtedness of the utility.

When such interest matures, charge to this account and credit to "169. Matured Interest on Unfunded Debt" account the amount of it.

176. Taxes Accrued.

Credit to this account and charge to "451. Taxes" and "558. Non Operating Taxes" accounts the amounts of taxes accrued during each accounting period on the operating and non operating properties of the utility. These credits shall be based upon estimates until the amounts of taxes levied for the year are definitely ascertained. Any difference between these and the estimated amounts shall be adjusted through "451. Taxes" and "558. Non Operating Taxes" accounts if such differences are ascertained during the current year, otherwise through either "702. Other Additions to Surplus" or "711. Other Deductions from Surplus" account.

When taxes are paid charge the amounts of such payments to this account.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the different kinds of taxes involved herein.

177. Other Accrued Liabilities.

Credit to this account the amounts of all other liabilities that accrue during each accounting period and that are not provided for elsewhere.

The records supporting the entries to this account shall be so kept that the utility can furnish full information as to the different accruals involved herein.

VI. DEFERRED CREDIT ACCOUNTS.

178. Unamortized Premium on Debt.

Credit to this account all premiums received by the utility from the issue of bonds and other evidences of indebtedness which do not mature until more than one year after the date of their issue.

By premium is meant the excess of the actual cash value of the consideration received for such bonds and other evidences of indebtedness over the sum of the par value thereof and the interest accrued thereon at the time of their issue.

Premiums on bonds and other evidences of indebtedness issued by others, and later assumed by the utility, shall be included in this account.

At or before the close of each fiscal period charge to this account and credit to "611. Amortization of Premium on Debt" account a portion of the premium applicable to each period based upon the life of such bonds or other evidences of indebtedness to the date of maturity. At its option the utility may delay making any charges to this account until the date of maturity of such debt or, if it is retired before maturity, until the date of retirement. In either case the utility shall charge to this account the entire amount of the premium received and shall credit to "611. Amortization of Premium on Debt" account that portion of the premium which is applicable to the current year and to "702. Other Additions to Surplus" account the balance of such premium.

179. Other Deferred Credits.

Credit to this account all deferred items not provided for elsewhere which are later to be credited to income or surplus account over a period of time.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the nature of each deferred credit item carried herein.

VII. RESERVE ACCOUNTS.

180. Insurance Reserve.

Credit to this account and charge to "455. Other Insurance" account the amounts reserved by the utility to provide for losses to its property not insured by others.

When any property thus insured is destroyed credit the account in which it is carried with the original money cost of it. If it is an item of fixed capital charge "183. Depreciation of Structures and Equipment Reserve" account with the amount of depreciation accrued on it; charge the appropriate sub-account of "121. Materials and Supplies" account with the value of the salvage recovered; charge this account with the amount reserved for the insurance of such property; and charge any excess of the original money cost of such fixed capital over the sum of the above charges either to "709. Amortization Unprovided for Elsewhere" account or, with the approval of The Public Service Commission, to "132. Extraordinary Casualties" account. If the property destroyed is materials and supplies charge the original money cost of it less salvage to this account and charge to the appropriate sub-account under "121. Materials and Supplies" account the value of the salvage recovered.

If any property insured herein is damaged and is reparable, charge the cost of repairing it to this account.

The utility shall file with The Public Service Commission information as to the basis upon which credits to this account are made. It shall so keep the records supporting the entries to this account that it can furnish full information as to the nature and amount of each charge to this account.

The utility is restricted in its use of the amount reserved herein to the recovery of insurance losses. Moreover it shall not divert any portion of the amount reserved to surplus or make any other use thereof until it has been authorized to do so by The Public Service Commission.

The keeping of this account is optional with the utility.

181. Injuries and Damages Reserve.

Credit to this account and charge to "454. Injuries and Damages" account the amounts reserved by the utility to provide for injuries to employees and others and for damages to property not owned by it.

When liability for any injury or damage is admitted by the utility, either voluntarily or because of a decision of a court or other lawful authority such as the Workmen's Compensation Board, charge to this account and credit to "115. Cash" or other appropriate account the amount awarded if a cash settlement is made. If such liability is to be discharged over a period of time, credit the amount of it to "162. Workmen's Compensation" account, in case of injuries to employees, or to "166. Other Accounts Payable" account in case of other injuries or damages.

The utility shall file with The Public Service Commission information as to the basis upon which credits to this account are made. It shall so keep the records supporting the entries to this account that it can furnish full information as to the nature and amount of each charge to this account.

The utility is restricted in its use of the amount reserved herein to the payment of all expenses caused by injuries to persons and damages to property. Moreover it shall not divert any portion of the amount reserved to surplus or make any other use thereof until it has been authorized to do so by The Public Service Commission.

The keeping of this account is optional with the utility.

182. Uncollectible Consumers' Accounts Reserve.

Credit to this account and charge to "452. Uncollectible Consumers' Accounts" account the amount reserved by the utility to provide for all accounts due from consumers which prove uncollectible because of the removal of the consumers beyond the jurisdiction of the State, the operation of the statute of limitations, discharge in bankruptcy, or for any other good and sufficient reason.

When any such account becomes uncollectible, charge to this account and credit to the appropriate sub-account under "117. Accounts Receivable from Consumers" account the amount of it.

The utility shall file with The Public Service Commission information as to the basis upon which credits to this account are made. It shall so keep the records supporting the entries to this account that it can furnish full information as to the name of each debtor whose debt is charged to this account, the date the debt was incurred, and when it was charged to this account.

The utility is restricted in its use of the amount reserved herein to the application of it to its consumers' accounts that are considered uncollectible. Moreover it shall not divert any portion of the amount reserved to surplus or make any other use thereof until it has been authorized to do so by The Public Service Commission.

The keeping of this account is optional with the utility.

183. Depreciation of Structures and Equipment Reserve.

Credit to this account and charge to "475. Depreciation" account that amount which it is estimated will through regular application over the life of the structures and equipment of the various divisions of the utility's natural gas system be sufficient to provide an adequate reserve to cover those expenses of depreciation that accrue upon such structures and equipment.

In these expenses of depreciation include those ordinary losses suffered by the utility's structures and equipment from wear and tear not covered by current repairs; those extraordinary losses sustained by such structures and equipment from obsolescence or inadequacy due either to age, physical change, or supersession resulting from new inventions, discoveries, change in popular demand, or requirements of public authority; and those losses which result from the destruction of such structures and equipment by those extraordinary casualties to which the principles of insurance are not applicable.

The amount credited to this account by the utility shall, until it is otherwise directed by The Public Service Commission, be based upon a rule determined by the utility. This rule may be derived by a study of the utility's history and experience over a period long enough to enable it to obtain information upon which it can establish a fair and reasonable basis of depreciation.

On or before January 1, 1920, the utility shall file with The Public Service Commission a copy of its depreciation rule and a sworn statement of the facts, expert opinions, and estimates upon which such rule is based. If the utility amends this rule later it shall file a like sworn statement for every change that it makes before it puts such change into effect.

In determining its rate of depreciation the utility shall, in the case of those structures and items of equipment that can be satisfactorily individualized, provide for each such structure and item of equipment an amount which will through regular accumulation ensure at the time such structure or item of equipment goes out of service a reserve therefor equal to the original money cost thereof less salvage recovered thereon. In the case of those structures and items of equipment that cannot be satisfactorily individualized the utility shall keep such structures and equipment in efficient operating condition through repairs and shall treat all renewals or replacements of parts thereof as repairs.

When any structure or equipment of the natural gas system is retired from service, charge to this account the amount credited to it since January 1, 1920, to provide for the depreciation of such retired structure or equipment; charge to the depreciation reserve account provided prior to January 1, 1920, the accumulated amount of depreciation accrued at the close of December 31, 1919, on such structure or equipment; charge to

"121. Materials and Supplies" account, the value of the salvage recovered; and credit to the fixed capital account in which it is carried the original money cost of such retired structure or equipment. If the original money cost of any structure or equipment retired is in excess of the above charges, charge such excess either directly to "709. Amortization Unprovided for Elsewhere" account, or, with the permission of The Public Service Commission, to "131. Property Abandoned" accouut.

If the utility cannot determine the original mouey cost of any structure or equipment that it retires it shall make an estimate thereof and preserve in its files all the data pertaining to such estimate.

The utility is restricted in its use of the amount which it has reserved for depreciation to the application of it to the recovery of those losses, mentioned in this account, which are suffered by its structures and equipmeut used in the public service. Moreover the utility shall make no other charges to this account thau those mentioned hereiu. Finally it shall not divert any portion of the amount reserved for depreciation to surplus or make any other use thereof until it has been authorized to do so by The Public Service Commission.

184. Amortization of Other Capital Reserve.

Credit to this account and charge to "477. Amortization of Franchises, Patent Rights and Licenses" and "609. Amortization of Interests in Landed Capital" accounts those amounts which, through regular application, will provide at the expiration of the lives of the utility's limited franchises, patent rights and licenses, limited rights of way, and leaseholds, a reserve equal to their original money cost.

When the original money cost of any such item of capital has been completely amortized, charge to this account and credit to the account in which it is carried the amount of it.

185. Other Reserves.

Credit to this account and charge to the appropriate operating expense account all amounts reserved by the utility that are properly chargeable to its operating expenses and which are not provided for in any of the preceding reserve accounts.

The utility shall file with The Public Service Commission information as to the nature and purpose of each reserve carried herein and as to the basis upon which the credits to this account are made. It shall so keep the records supporting the entries to this account that it can furnish full information as to the nature and amount of each charge to this account.

The utility is restricted in its use of the amount reserved herein to the specific purpose for which it has provided each reserve. Moreover it shall not divert any portion of the amount reserved to surplus or make any other use thereof until it has been authorized to do so by The Public Service Commission.

The keeping of this account is optional with the utility.

VIII. APPROPRIATED SURPLUS ACCOUNTS.

186. Surplus Invested in Fixed Capital After January 1, 1920.

Credit to this account and charge to either "653. Net Income Appropriated for Investment in Fixed Capital" or "706. Surplus Appropriated for Investment in Fixed Capital" account those amounts that are definitely set aside from income or surplus after January 1, 1920, and actually expended for the acquisition of land and completed structures and equipment, or for the construction of new structures and the purchase of new equipment or for additions to land, or for additions and betterments to structures and equipment. Credit also to this account the amounts set aside from either income or surplus to discharge the principal of any obligations which are outstanding on such land, structures, and equipment at the time that they are acquired.

When any gift in aid of construction is made to the utility by an affiliated company or by others, credit the amount of it to this account.

Exclude from this account temporary appropriations for the acquisition of property which is later to be paid for by the issue of securities, and appropriations for payment of obligations which are to be replaced by the issue of other securities.

The records supporting the entries to this account shall be so kept that the utility can furnish complete information as to the specific items of fixed capital acquired or constructed through appropriations from income or surplus, the particular fixed capital accounts to which such items are charged; and the actual money cost of them.

187. Funded Debt Retired Through Surplus.

Credit at the date of retirement to this account and charge to "188. Surplus Reserved for Sinking Funds" account the amounts set aside from the income or surplus of the utility and expended by it in the discharge of the principal of any funded debt issued or assumed by the utility.

188. Surplus Reserved for Sinking Funds.

Credit to this account and charge either to "650. Net Income Appropriated for Sinking Funds" or "703. Surplus Appropriated for Sinking Funds" account those amounts that are definitely set aside from income or surplus and invested or placed in the care of trustees or other fiscal agents of the utility for the purpose of providing funds for the redemption of funded debt obligations that have been issued subject to sinking fund requirements.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the amount reserved for the sinking fund provided for each class of funded debt and the basis upon which credits to each such fund are made.

189. Other Surplus Reserves.

Credit to this account and charge to either "651. Net Income Appropriated for Other Reserve Funds" or "704. Surplus Appropriated for Other Reserve Funds" account those amounts that are set aside from the income or surplus of the utility and held in reserve for purposes not provided for elsewhere.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the amount and purpose of each reserve carried herein.

IX. UNAPPROPRIATED SURPLUS ACCOUNT.

190. Corporate Surplus Unappropriated.

At the close of each fiscal period the utility, if corporate in form, shall transfer to this account from "625. Profit and Loss—Current Year" account the net income or loss of the unappropriated portion of the net income for that period. It shall also transfer hereto the balances of all those accounts listed under "Surplus Debit and Credit Accounts". The result obtained by assembling in this account all of the credit and debit balances thus transferred is the unappropriated surplus or the deficit of the utility.

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INSTALLED SINCE DECEMBER 31, 1919.

PRESCRIBED FOR ALL NATURAL GAS UTILITIES.

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FIXED CAPITAL ACCOUNTS

INSTALLED SINCE DECEMBER 31, 1919.

Definitions and Instructions.

Fixed Capital.

The fixed capital of the utility, as herein used, means its property which is used in the production and sale of natural gas and which has an expectation of life in service of more than one year.

The fixed capital accounts described in this section are those which provide for all items of fixed capital installed by the utility after December 31, 1919. They are therefore the sub-accounts of balance sheet account "101. Fixed Capital Installed Since December 31, 1919."

Fixed capital consists of original capital, additions, betterments and replacements.

Original capital is the fixed capital installed or acquired by the utility prior to the beginning of its regular operations. The utility shall charge the cost of every item of original capital installed on or after January 1, 1920, to the appropriate sub-account of "101. Fixed Capital Installed Since December 31, 1919" account.

Additions are land, structures and equipment added to those in service at the beginning of operations, and not taking the place of any property of like purpose previously held by the utility. The cost of additions shall be charged to the appropriate sub-accounts of "101. Fixed Capital Installed Since December 31, 1919" account.

Betterments are physical changes in structures or equipment, the object of which is to make the structures or equipment affected more useful or of greater capacity than they were at the time of their original installation or acquisition. The utility shall charge as a betterment to the appropriate sub-account of "101. Fixed Capital Installed Since December 31, 1919" account that portion of the cost of such changes, as will, when added to the original cost of the structures or equipment bettered, give the cost of the structures or equipment in their bettered condition.

Replacements are those installations of fixed capital in which one structure or unit of equipment is substituted for another which has become exhausted or inadequate in service, the substitute having substantially no greater capacity than the property replaced; also the extensions of life period of franchises, patents, and other fixed capital.

In every replacement the cost of fixed capital retired shall be credited to the fixed capital accounts in which it is carried and the cost of the fixed capital installed in place of fixed capital so retired shall be charged to the appropriate sub-accounts of "101. Fixed Capital Installed Since December 31, 1919" account.

Required Data in Fixed Capital Charges.

Every charge made to any fixed capital account on and after January 1, 1920, shall show whether the item charged is original capital, an addition, a betterment, or a replacement. If the item is an addition, or a betterment, or a replacement, the entry shall designate the thing enlarged, improved or replaced and shall cite the name and page of the book or other record in which the entry of the original cost of such thing appears. If it was acquired prior to

January 1, 1920, and the original cost of it is not known the utility shall make an estimate thereof and shall state this fact in the entry that concerns the addition, betterment or replacement, and shall show therein the basis of such estimate.

LAND.

Land includes tangible land owned by the utility itself and any acquired terminable rights or interest in land owned by others, such as leaseholds, water power rights, rights of way, and like interests in land.

In this classification tangible land and interests in land shall be recorded separately.

Land shall not include any buildings or other structures. If the purchase of land includes buildings and other structures thereon, such buildings and other structures shall be appraised at their structural values, as explained in "102. COST OF FIXED CAPITAL PURCHASED" account, and charged to the appropriate structures account.

In order that any item of land may be classed as land used and useful in the public service, it must have an expectation of life in such service of more than one year from the date of its acquisition by the utility.

COST OF LAND.

The cost of land includes, in addition to the purchase price, all other costs necessary to such purchase and borne by the utility, such as the cost of surveys, examination and registration of title, conveyancer's and notary's fees, purchasing agent's commission and fees, or, in case such agent is a regular employee of the utility, a proper proportion of his salary and expenses, taxes accrued to the date of the transfer of title, liens upon titles, other like expenses necessary to secure title to or interest in land, and all expenditures, not made in connection with the construction of structures, for clearing, grading and otherwise putting such land in readiness for use in the public service.

If a utility purchases land that is already in the public service, it shall make an appraisal of the value of such land and account for it as directed in account "102. COST OF FIXED CAPITAL PURCHASED".

STRUCTURES.

Structures include all buildings, other structures, and improvements on land of a permanent character; and all fixtures permanently attached thereto and made part thereof, which cannot be removed therefrom without cutting into the walls, ceilings or floors, or without in some way impairing the structures. Such fixtures include water, steam and gas pipes; electric wiring; elevators, and engines and motors specially provided for operating them; furnaces, boilers, and other apparatus specially provided for producing steam for such engines and for heating structures; electric generators specially provided for producing current for lighting structures. In addition structures include brick and concrete smokestacks, permanent foundations and settings for machinery and apparatus, fences, walks, trestles, drives, grading and other improvements on grounds used in connection with structures; and excavations, trenchings and refillings done in the construction of structures.

Specially provided foundations, which are not expected to outlast the machinery or other equipment mounted thereon, shall be classed as equipment.

If the purchase of structures includes any equipment, such equipment shall be appraised at structural values, as explained in "102. COST OF FIXED CAPITAL PURCHASED" account and charged at such values to the appropriate equipment account.

In order that any structure may be classed as a structure used and useful in the public service, it must have an expectation of life in such service of more than one year from the date of its construction or acquisition by the utility.

COST OF STRUCTURES.

If structures are constructed by the utility itself, the cost of such structures consists of the actual money cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in constructing them.

If structures are constructed for the utility by a contractor that is affiliated with it, the cost of such structures consists of the actual cost of labor employed, materials and supplies consumed, and expenses incurred by the affiliated contractor in constructing these structures; and all necessary expenses incurred by the utility itself in connection with the construction of such structures. If the price paid to the affiliated contractor exceeds the cost incurred by him on account of such structures, the utility shall charge the amount of the excess to "203. OTHER UNDISTRIBUTED FIXED CAPITAL" account.

If structures are constructed for the utility by a contractor that is not affiliated with it, the cost of such structures consist of the actual amount paid to such contractor and all necessary expenses incurred by the utility itself in connection with the construction of such structures.

If the utility purchases going or completed structures that are already in the public service, it shall make an appraisal of the value of such structures and account for them as directed in account "102. COST OF FIXED CAPITAL PURCHASED".

If the utility purchases going or completed structures that are not in the public service, the cost of such structures shall consist of the actual amount paid for them and all necessary expenses incurred by the utility in connection with the purchase of them.

EQUIPMENT.

Equipment includes all tangible fixed property, other than land and structures as herein defined, which is either attached to such land or structures by its own weight or other means, or is otherwise used in connection with such land or structures and can be readily removed therefrom without thereby losing its unity and fitness to perform the particular service, or service of like character, for which it was acquired by the utility, or without destroying or in any way impairing the integrity of the structures with which it is connected or without otherwise rendering such land or structures unfit to perform their special utility functions. Include also in equipment specially provided foundations which are not expected to outlast the machinery or other equipment mounted thereon.

In order that any item of equipment may be classed as equipment used and useful in the public service, it must have an expectation of life in service of more than one year from the date of its acquisition by the utility.

Exclude from equipment accounts hand and other portable tools which are liable to be lost or stolen.

COST OF EQUIPMENT.

The cost of equipment, unless otherwise indicated in the text of an equipment account, includes in addition to the actual money purchase price thereof, investigation and inspection expenses necessary to such purchase; expenses of transportation when borne by the utility; labor employed, materials and supplies consumed, and expenses incurred by the utility in unloading and placing such equipment in readiness to operate; and like expenses incurred in excavating, trenching, refilling, repaving, and otherwise restoring to its original condition land in which equipment is located.

If the utility purchases equipment that is already in the public service, it shall make an appraisal of the value of such equipment and account for it as directed in account "102. COST OF FIXED CAPITAL PURCHASED".

TEXT EXPLANATORY OF FIXED CAPITAL ACCOUNTS.

I. UNDISTRIBUTED FIXED CAPITAL ACCOUNTS.

Charge to the appropriate accounts listed under this caption the cost of those items of fixed capital, used and useful in the public service, that do not pertain especially to any one specific division of fixed capital.

200. Organization.

Charge to this account fees paid to governments for the privilege of incorporation and all other expenditures incident to the organization of the corporation, or other forms of utility, and putting it in readiness to do business.

In the charges to this account include counsel fees; fees paid to promoters, either in cash or in securities at the cash value of such securities at the time of the organization of the utility, for their services in organizing the utility; the cost of preparing and distributing prospectuses, soliciting subscriptions for stock, preparing and issuing certificates of stock, procuring the required approval of The Public Service Commission; preparing and filing certificates of authorization of increase in capital stock and issuing stock thus authorized, filing and preparing certificates of amendment to articles of incorporation; any other necessary expense incurred in the organization of the utility.

Exclude from this account discount on bonds and other evidences of indebtedness, and expenses incurred in negotiating loans and selling bonds or other evidences of indebtedness.

201. Franchises.

Charge to this account the actual amount paid to the State, or any political subdivision thereof, for the grant to the utility of any franchise or right that is necessary for the utility in the conduct of its natural gas operations. If such franchise is acquired by assignment, the charge to this account must not exceed the amount actually paid therefor by the utility to the assignor, nor shall it exceed the amount paid to the State, or any political subdivision thereof, for such franchise. Charge any excess of the amount paid by the utility to the assignor over the amount originally paid by such assignor to the State, or any political subdivision thereof, to "203. Other Undistributed Fixed Capital" account.

Exclude from this account annual or more frequent payments to any government for any franchise and charge them to "176. Taxes Accrued" account or to the appropriate operating expense accounts. Exclude also from this account the amount paid for any franchise that has a life of not more than one year after the date when it is placed in service or in effect and charge it to the appropriate operating expense account or to "128. Other Prepaid Accounts" account if paid in advance.

202. Patent Rights and Licenses.

Charge to this account the cost of all rights and licenses, which have a life of more than one year from the date when placed in service, acquired by the utility in or under valid patents granted by the United States to inventors for inventions and discoveries which are necessary or valuable to the economical conduct of the natural gas operations of the utility.

203. OTHER UNDISTRIBUTED FIXED CAPITAL.

Charge to this account the cost of all other undistributed fixed capital not provided for elsewhere.

The records supporting the entries to this account shall be so kept that the utility can furnisn information as to the kind of each item of fixed capital charged to this account, the principal from whom it was acquired and the agents who represented him; also the term of the life of each item, or if it is not known an estimate thereof and the facts upon which such estimate was based.

II. PRODUCTION SYSTEM PROPERTY ACCOUNTS.

Charge to the appropriate accounts listed under this caption the cost of land, structures, and equipment, as each of these items of property is defined in "FIXED CAPITAL DEFINITIONS AND INSTRUCTIONS" on pages 45 and 46 of this classification.

CORRECTION

The text printed under account title "207. NATURAL GAS RIGHTS" belongs under the account title "206. RIGHTS OF WAY" and the text printed under account title "206. RIGHTS OF WAY" belongs under the account title "207. NATURAL GAS RIGHTS".

---LEASEHOLDS.

Charge to this account the first cost to the utility of acquiring leaseholds of land, structures, or equipment used by the utility in the production of natural gas.

Exclude from this account the cost of leaseholds which terminate in one year or less after they become effective. Exclude also rents paid periodically for rights obtained under leases.

In this classification this account represents interests in land and as such should be amortized during the lives of the leaseholds.

206. RIGHTS OF WAY.

Charge to this account the first cost to the utility of purchasing natural gas rights. This account is intended to provide for the cost to the utility of obtaining ownership in gas underlying land not owned or leased by the utility. It does not provide for gas rights which are leased and which are properly chargeable to "205. LEASEHOLDS" account.

In this classification this account represents interests in land and if the rights charged hereto are limited in life should be amortized during the lives of the rights.

207. NATURAL GAS RIGHTS.

Charge to this account the first cost of all interests in land not owned by the utility, which do not terminate until more than one year after they become effective and which are acquired by it to locate thereon pipe

lines, telephone poles and lines, and like property used by the utility in its production system.

In this classification this account represents interests in land and if the rights charged hereto are limited in life should be amortized during the lives of the rights.

208. Gas Well Structures.

Charge to this account the cost of well structures owned by the utility and used by it to house pumping and other equipment necessary to keep the wells in operation.

209. Field Measuring Station Structures.

Charge to this account the cost of structures owned by the utility and used by it to house meters and appurtenant appliances used in measuring natural gas before it is conveyed to the compressing or boosting stations or other points where the transmission system begins.

210. Other Production System Structures.

Charge to this account the cost of structures not provided for elsewhere owned by the utility and used by it in its production system.

211. Gas Well Construction.

Charge to this account the cost of labor employed, materials consumed, and expenses incurred by the utility in drilling, casing, tubing, packing, and connecting new gas wells to field lines, and otherwise preparing them for operation.

In the charges to this account include the cost of making roads to well sites; cutting and hauling timber; hauling, erecting, tearing down and removing rigs; hauling and putting in place pipes, casings, fittings, portable engines, boilers, tools and other equipment used in drilling; procuring water for use in drilling either by drilling water wells, or piping water from springs or streams, or purchasing it; also the cost of gas purchased and other supplies used and expenses incurred in the construction of gas wells.

212. Gas Well Equipment.

Charge to this account the cost of drive pipe, casing, tubing, packers, fittings, and other gas well equipment up to and including the well gates or stops. Charge also to this account the cost of gas engines and appliances owned by the utility and used by it exclusively in the operation of its natural gas wells.

Exclude from this account and charge to "211. Gas Well Construction" account the cost of labor employed, materials consumed, and expenses incurred in installing gas well equipment.

213. Field Line Construction.

Charge to this account the cost of labor employed, materials consumed, and expenses incurred by the utility in constructing pipe lines owned

and used by it in collecting natural gas from wells and conveying it to the compressing or boosting stations, or other points where the transmission system begins.

In the charges to this account include the cost of hauling, ditching, constructing supports, conduits, etc., laying pipe, refilling, repaving, damage to crops, fences, etc.; also the cost of tools consumed, other supplies used and expenses incurred in the construction of field lines.

Exclude from this account and charge to "214. FIELD LINE EQUIPMENT" account the cost of pipe, collars, couplings, other fittings, gates, valves, and other equipment accessory to the field lines.

214. FIELD LINE EQUIPMENT.

Charge to this account the cost of field line equipment owned by the utility and used by it in collecting natural gas from wells and conveying it to the compressing or boosting stations or other points where the transmission system begins.

In the charges to this account include the cost of pipe, collars, couplings, other fittings, gates, valves, and other equipment accessory to the field lines.

Exclude from this account and charge to "213. FIELD LINE CONSTRUCTION" account the cost of labor employed, materials consumed, and expenses incurred in installing field line equipment.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the diameter, length, weight, material, price, and date of installation of each field line; also the cost and date of installation of collars, couplings and other fittings.

215. FIELD MEASURING STATION EQUIPMENT.

Charge to this account the cost of meters, gauges, and other equipment owned by the utility and used by it in measuring natural gas collected into the field lines before it is conveyed to compressing or boosting stations or other points where the transmission system begins.

216. DRILLING AND CLEANING EQUIPMENT.

Charge to this account the cost of portable engines, pumps and boilers, and all drilling and cleaning equipment owned by the utility and used by it in drilling and cleaning its natural gas wells and performing other services in the production system.

In the charges to this account include the cost of portable engines, pumps, boilers, drilling cables, rope sockets, swivel wrenches, bailers and other equipment used in drilling and cleaning natural gas wells.

217. OTHER PRODUCTION SYSTEM EQUIPMENT.

Charge to this account the cost of equipment not provided for elsewhere owned by the utility and used by it in the production of natural gas.

III. TRANSMISSION SYSTEM PROPERTY ACCOUNTS.

Charge to the appropriate accounts listed under this caption the cost of land, structures, and equipment as each of these items of property is defined in "FIXED CAPITAL DEFINITIONS AND INSTRUCTIONS" on pages 45 and

46 of this classification used and useful in the public service for the transmission of natural gas from the compressing or boosting stations or other points where the transmission system begins to the inlet of the district regulators or other points where the distribution system begins.

218. Land.

Charge to this account the cost of land owned by the utility on which are located structures and equipment used in the transmission of natural gas.

219. Leaseholds.

Charge to this account the first cost to the utility of acquiring leaseholds of land, structures, or equipment used by the utility in the transmission of natural gas.

Exclude from this account the cost of leaseholds which terminate in one year or less after they become effective. Exclude also rents paid periodically for rights obtained under leases.

In this classification this account represents interests in land and as such should be amortized during the lives of the leaseholds.

220. Rights of Way.

Charge to this account the first cost of all interests in land not owned by the utility, which do not terminate until more than one year after they become effective and which are acquired by it to locate thereon pipe lines used in its transmission system.

In this classification this account represents interests in land and if the rights charged hereto are limited in life should be amortized during the lives of the rights.

221. Compressing Station Structures.

Charge to this account the cost of structures owned by the utility and used by it to house compressors, boosters, and appurtenant engines and equipment.

222. Transmission System Measuring Station Structures.

Charge to this account the cost of structures owned by the utility and used by it to house meters and appurtenant equipment used in measuring natural gas before it is transmitted to the distribution system.

223. Other Transmission System Structures.

Charge to this account the cost of structures not provided for elsewhere, that are owned by the utility and used by it in its transmission system.

224. Compressing Station Equipment.

Charge to this account the cost of equipment owned by the utility and used by it in increasing the pressure of natural gas before it is transmitted to the distribution system.

In the charges to this account include the cost of compressors, boosters, gas and steam engines, electric apparatus for furnishing motive power for compressors and boosters; lighting and ventilating appliances; and all other equipment used in the compressing station.

225. Transmission System Measuring Station Equipment.

Charge to this account the cost of equipment owned by the utility and used by it in measuring natural gas before it is transmitted to the distribution system.

In the charges to this account include the cost of meters, gauges, and other equipment used in the transmission system measuring station.

226. Transmission Line Equipment.

Charge to this account the cost of pipe line equipment owned by the utility and used by it in transmitting natural gas from the compressing or boosting stations or other points where the distribution system begins.

In the charges to this account include the cost of transmission line pipe, collars, couplings, other fittings, gates, valves, and other equipment accessory to the transmission pipe lines; the cost of hauling, ditching, constructing supports, conduits, etc., laying pipe, refilling, repaving, damage to crops, fences, etc., also the cost of tools consumed, other supplies used, and expenses incurred in the construction of transmission lines.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the diameter, length, weight, material, price, and date of installation of each transmission line; also the cost and date of installation of collars, couplings, and other fittings.

227. Other Transmission System Equipment.

Charge to this account the cost of equipment not provided for elsewhere owned by the utility and used by it exclusively in the transmission system.

IV. DISTRIBUTION SYSTEM PROPERTY ACCOUNTS.

Charge to the appropriate accounts listed under this caption the cost of land, structures, and equipment as each of these items of property is defined in "Fixed Capital Definitions and Instructions" on pages 45 and 46 of this classification, used and useful in the public service for the distribution of natural gas from the district regulators or other points of distribution.

228. Land.

Charge to this account the cost of land owned by the utility on which are located structures and equipment used in the distribution of natural gas.

Fixed Capital Accounts.

229. Leaseholds.

Charge to this account the first cost to the utility of acquiring leaseholds of land, structures, and equipment used by the utility in the distribution of natural gas.

Exclude from this account the cost of leaseholds which terminate in one year or less after they become effective. Exclude also rents paid periodically for rights obtained under leases.

In this classification this account represents interests in land and as such should be amortized during the lives of the leaseholds.

230. Rights of Way.

Charge to this account the first cost of all interests in land not owned by the utility, which do not terminate until more than one year after they become effective and which are acquired by it to locate thereon pipe lines used in its distribution system.

In this classification this account represents interests in land and if the rights charged hereto are limited in life should be amortized during the lives of the rights.

231. District Regulator Structures.

Charge to this account the cost of structures owned by the utility and used by it to house district regulators, recording gauges, and appurtenant equipment.

232. Other Distribution System Structures.

Charge to this account the cost of structures not provided for elsewhere owned by the utility and used by it in its distribution system.

233. Gas Receivers and District Regulators.

Charge to this account the cost of equipment owned by the utility and used by it to receive natural gas from the transmission lines and to regulate its pressure before it passes into the distribution lines.

In the charges to this account include the cost of gas receivers, district regulators, recording gauges, safety tanks, and appurtenant equipment.

234. Distribution Line Equipment.

Charge to this account the cost of pipe line equipment owned by the utility and used by it in distributing natural gas from the district regulators or other points where the distribution system begins to the consumers service lines.

In the charges to this account include the cost of distribution line pipe, collars, couplings, other fittings, gates, valves, and other equipment accessory to the distribution lines; the cost of hauling, ditching, constructing supports, conduits, etc., laying pipe, refilling, repaving, also the cost of tools consumed, other supplies used, and expenses incurred in the construction of distribution lines.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the diameter, length, weight, material, price and date of installation of each distribution line; also the cost and date of installation of collars, couplings, and other fittings.

235. Service Line Equipment.

Charge to this account the cost of pipe line equipment owned by the utility and used by it to convey natural gas from the distribution lines to the consumer's premises.

In the charges to this account include the cost of pipe fittings, curb boxes, and other equipment accessory to the service lines; the cost of teaming, ditching, refilling, repaving, also the cost of tools consumed, other supplies used and expenses incurred in the construction of service lines.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the diameter, length, weight, material, price, and date of installation of each service line.

236. Meters.

Charge to this account the cost of meters owned by the utility and used by it to determine the quantity of natural gas sold to its consumers. Charge also to this account the cost of the original testing of meters before their first installation.

237. Meter Installations.

Charge to this account the cost of labor employed, materials used, and expenses incurred by the utility in connection with the original installation of meters.

Exclude from this account the cost of replacing meters or removing them to and installing them in other locations.

238. House Regulators.

Charge to this account the cost of regulators owned by the utility and used by it to regulate the pressure of natural gas, before the gas enters the consumers' meters.

Charge also to this account the cost of the original testing of regulators before their first installation.

Charge also to this account the cost of labor employed, materials used and expenses incurred by the utility in connection with the original installation of house regulators.

Exclude from this account the cost of replacing house regulators or removing them to and installing them in other locations.

239. Other Distribution System Equipment.

Charge to this account the cost of equipment not provided for elsewhere owned by the utility and used by it in its distribution system.

V. UTILIZATION SYSTEM PROPERTY ACCOUNTS.

Charge to the appropriate accounts listed under this caption the cost of equipment, as this item of property is defined in "Fixed Capital Definitions and Instructions" on page 46 of this classification, owned by the utility and used by others in consuming natural gas.

240. Commercial Lighting System.

Charge to this account the cost of lighting equipment, except that used for lighting municipal and private streets, owned and operated by the utility and used by others in consuming natural gas sold to them by the utility for lighting purposes.

In the charges to this account include the cost of lamps, lamp fixtures, and other equipment used in connection with the commercial lighting system.

241. Municipal Street Lighting System.

Charge to this account the cost of street lighting equipment owned, operated, and maintained by the utility and used by it for lighting public streets.

In the charges to this account include the cost of lamps, lamp fixtures, posts and other equipment used in connection with the municipal street lighting system.

242. Private Street Lighting System.

Charge to this account the cost of street lighting equipment owned, operated, and maintained by the utility and used by it for lighting private streets.

In the charges to this account include the cost of lamps, lamp fixtures, posts, and other equipment used in connection with the private street lighting system.

243. Other Utilization Equipment.

Charge to this account the cost of all other equipment owned and maintained by the utility and installed by it on the premises of consumers for the purpose of supplying them with natural gas. Charge also to this account the cost of the original installation of each item of equipment carried herein.

In the charges to this account include the cost of gas engines and appliances and like equipment.

Exclude from this account the cost of replacing such items of equipment and removing them to and installing them in other locations.

VI. GENERAL PROPERTY ACCOUNTS.

Charge to the appropriate accounts listed under this caption the cost of land, structures, and equipment, as each of these items of property is defined in "Fixed Capital Definitions and Instructions" on pages 45 and 46 of this classification, used and useful in the public service and employed by the utility in its natural gas operations but not used exclu-

244. General Office Land.

Charge to this account the cost of land owned by the utility on which are located its general office structures and equipment.

245. Other General Land.

Charge to this account the cost of general land, except that provided for in "244. General Office Land" account owned by the utility and used by it in the conduct of its natural gas operations.

In the charges to this account include the cost of land on which are located structures and equipment used for shop, store, stable, garage, laboratory, and other general purposes.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the separate cost of land used for each such general purpose.

246. Leaseholds.

Charge to this account the first cost to the utility of acquiring leaseholds of land, structures, or equipment used by the utility for general purposes in the conduct of its natural gas operations.

Exclude from this account the cost of leaseholds which terminate in one year or less after they become effective. Exclude also rents paid periodically for rights obtained under leases.

In this classification this account represents interests in land and as such should be amortized during the lives of the leaseholds.

247. General Office Structures.

Charge to this account the cost of buildings owned by the utility and used by it for general office purposes.

248. Other General Structures.

Charge to this account the cost of general structures, except those provided for in "247. General Office Structures" account owned by the utility and used by it in the conduct of its natural gas operations.

In the charges to this account include the cost of structures used for shop, store, stable, garage, laboratory, and other general purposes.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the separate cost of structures used for each such general purpose.

249. General Office Equipment.

Charge to this account the cost of equipment owned by the utility and used by it in its general offices.

In the charges to this account include the cost of desks, chairs, tables, filing cases, book cases and racks, movable safes, typewriters, adding and calculating machines, addressographs, drafting tables and instruments, engineering instruments, and like appliances used in connection with the general office.

FIXED CAPITAL ACCOUNTS.

250. GENERAL STORE EQUIPMENT.

Charge to this account the cost of equipment owned by the utility and used by it in its general stores.

In the charges to this account include the cost of movable counters and shelves, carts, barrows, trucks, derricks, cranes, hoists, other loading and unloading machinery, and all other apparatus and appliances used in storing and handling materials and supplies.

251. GENERAL SHOP EQUIPMENT.

Charge to this account the cost of equipment owned by the utility and used by it in its general shops.

In the charges to this account include the cost of furnaces, boilers, gas producers, engines, electric generators, and other power apparatus specially provided for operating general shop machinery; also machine tools, cranes, hoists, shafting, belting, smithing equipment other than that used for shoeing horses and repairing vehicles, and all other appliances used in the general shops.

Exclude from this account hand and other small tools which are liable to be lost or stolen.

252. GENERAL STABLE EQUIPMENT.

Charge to this account the cost of equipment owned by the utility and used by it in its general stables.

In the charges to this account include the cost of horses, harness, drays and wagons, equipment for shoeing horses and repairing harness, and vehicles, and all other appliances used in the general stables.

253. GENERAL GARAGE EQUIPMENT.

Charge to this account the cost of equipment owned by the utility and used by it in its general garages.

In the charges to this account include the cost of automobiles, bicycles, motorcycles and accessories, and all other appliances used in the general garages.

254. GENERAL LABORATORY EQUIPMENT.

Charge to this account the cost of equipment owned by the utility and used by it in its general laboratory.

In the charges to this account include the cost of testing apparatus and laboratory appliances not provided for elsewhere.

Exclude from this account the cost of testing instruments permanently assigned to any specific department.

255. GENERAL TELEPHONE AND TELEGRAPH SYSTEM.

Charge to this account the cost of telegraph and telephone equipment owned by the utility and used by it in the operation of its natural gas system.

In the charges to this account include the cost of poles, cables, wires, booths, instruments, and all other equipment assigned to the telephone and telegraph system.

Fixed Capital Accounts.

256. General Tools and Implements.

Charge to this account the cost of tools other than hand tools and implements, not provided for elsewhere, owned by the utility and used by it in the conduct of its natural gas operations.

257. Other General Equipment.

Charge to this account the cost of all general equipment, not provided for elsewhere, owned by the utility and used by it in the conduct of its natural gas operations.

VII. UNDISTRIBUTED CONSTRUCTION EXPENDITURE ACCOUNTS.

Charge to the appropriate accounts listed under this caption the amount of those expenses therein described which are incurred by the utility during the period of the construction of its natural gas system, or any part thereof, and which cannot be satisfactorily assigned by it to the specific fixed capital accounts in which it is required to record the items of fixed capital acquired by it after December 31, 1919.

258. Engineering and Superintendence During Construction.

Charge to this account expenditures for services and expenses of engineers, draftsmen and superintendents employed on construction work and work preliminary thereto.

259. General Officers' and Clerks' Salaries During Construction.

Charge to this account the salaries of executive and general officers, and general office clerks, that accrue during the period of construction.

If the utility is already operating a natural gas system, charge to this account only that proportion of such salaries, that is based upon the time which such officers and clerks actually spend in new construction.

260. General Officers' and Clerks' Expenses During Construction.

Charge to this account the traveling and all other necessary expenses incurred for the benefit of the utility by its general officers and general office clerks during the period of construction. If the utility is already operating a natural gas system, charge to this account only those expenses that are incurred while such officers and clerks are actually engaged on construction work.

261. Office Supplies and Expenses During Construction.

Charge to this account the cost of all office supplies used and expenses incurred by the utility during the period of construction of its natural gas system or any part thereof.

In the charges to this account include the cost of stationery, printing, blanks, record books, etc., used in connection with construction work and such expenses as messenger and janitor services, rent, water, light, heat, postage, telephone, telegrams, exchange on remittances and like expenses incurred in construction work.

FIXED CAPITAL ACCOUNTS.

262. LAW EXPENDITURES DURING CONSTRUCTION.

Charge to this account all law expenditures incurred during the period of construction.

In the charges to this account include such items as pay and expenses of counsel, solicitors and attorneys; their clerks and attendants, and the expenses of their offices, if employed exclusively by the utility; cost of printing briefs, legal forms, testimony, reports, etc.; payments to arbitrators upon disputed questions; payments of special fees, notarial fees, and witness fees not elsewhere provided for; expenses connected with taking depositions, and court costs and expenses.

Exclude from this account and charge to "200. ORGANIZATION" account, law expenses incurred in the organization of the utility.

Exclude also from this account and charge to "263. INJURIES AND DAMAGES DURING CONSTRUCTION" account law expenses incurred as the result of injuries and damages caused directly in connection with the construction of the natural gas system.

263. INJURIES AND DAMAGES DURING CONSTRUCTION.

Charge to this account the amounts of all awards of courts or other lawful authority, such as workmen's compensation boards, etc., all allowances by the utility itself for damages to or destruction of property other than that owned by the utility and for injuries and deaths of employees and other persons, when such damages or destruction of property and injuries or deaths are caused directly in connection with the construction of the natural gas system. Include also in this account such items of expense as contributions to hospitals, transportation of injured persons, fees of physicians and surgeons, or, if regularly employed by the utility, a proportion of their salaries and expenses, nurse and hospital charges, cost of medical and surgical supplies, and expenditures for funeral and burial services. Charge also hereto salaries of claim agents and adjusters of the utility and their assistants while engaged in settling damage, injury or death claims which result from construction, the compensation of the solicitor or counsel, while engaged in attending to law suits which develop from such claims, and all court costs connected therewith and paid by the utility.

264. INSURANCE DURING CONSTRUCTION.

Charge to this account the amount of all premiums paid to insurance companies for fire, casualty, boiler, fidelity and other insurance to cover risks during the period of construction of the natural gas system.

265. TAXES DURING CONSTRUCTION.

Charge to this account all taxes and assessments applicable to the period of construction that are levied and paid on property that belongs to the utility and is to be used in the conduct of its natural gas operations.

Exclude from this account and charge to the account to which the property benefited was charged all taxes assessed for street and other improvements such as grading, sewering, curbing, guttering, and like improvements.

Fixed Capital Accounts.

266. Interest During Construction.

Charge to this account the interest accrued during the period of construction, upon all moneys, and claims payable upon demand, which are acquired by the utility for use in connection with the construction of its natural gas system.

In case the utility incurs discount and expense in connection with debt which it issues for construction purposes, it may charge to this account that proportion of the discount and expense which the period prior to the completion of such construction bears to the entire life of the debt.

Interest receivable on such moneys and claims shall be credited to this account.

Discounts received through the prompt payment of bills for materials and supplies used in construction shall be credited to this account if they cannot be assigned to the particular items of materials and supplies to which they apply.

267. Other Expenditures During Construction.

Charge to this account all undistributed expenditures, not provided for elsewhere, incurred by the utility during the period of construction.

Income Accounts.

Definitions and Instructions.

Income Accounts.

The income accounts of a natural gas utility are those in which it shall record for each fiscal period the total amount of money that it is entitled to receive for natural gas services rendered, the returns accrued upon its investments, the accrued cost of natural gas services rendered by it, the losses sustained by it that are applicable to each fiscal period, the amounts accrued for taxes and for use of moneys and properties of others, and the amount of all other disbursements or obligations incurred by it that effect the amounts so received or accrued.

In this classification income accounts consist of the following principal divisions:

I. Operating Revenue Accounts
II. Operating Expense Accounts
III. Non Operating Revenue Accounts
IV. Non Operating Expense Accounts
V. Gross Income Deduction Accounts
VI. Net Income or Loss Account
VII. Net Income Appropriation Accounts

Operating Revenue Accounts.

The operating revenue accounts of a natural gas utility are those in which it shall record for each fiscal period the amounts of money which it receives or becomes entitled to receive for sales of natural gas.

Operating Expense Accounts.

The operating expense accounts of a natural gas utility are those in which it shall record for each fiscal period the expenses of operating its natural gas system, the expenses of maintaining its property used in its natural gas operations, the expenses of collecting its natural gas revenues, the expenses of accounting for its natural gas transactions the general and supervisory expenses connected with its natural gas operations, and all other expenses incident to its operating revenues.

In this classification operating expenses consist of two main divisions, namely operation and maintenance.

Operation means the use of the natural gas properties. Its cost includes the cost of labor employed, materials and supplies consumed, and expenses incurred in producing, transmitting, storing, and distributing natural gas. This cost also includes administrative and general labor, materials and supplies, and expenses.

Maintenance means the upkeep of the natural gas properties. Its cost includes the cost of labor employed, materials and supplies consumed, and expenses incurred in making repairs to the structures and equipment of the natural gas system.

Repairs consist of those changes to the utility's structures and equipment used in its natural gas operations which are made for the purpose of keeping them in an efficient operating condition. They are changes which affect the current operation of such structures and equipment rather than their value. They include the replacement of minor parts, rearrangements and changes in the location of equipment other than consumers service equipment, and all other alterations that do not amount to substantial changes of identity in such structures and equipment. Those changes which result in the complete re-

placement of any structure or unit of equipment are not repairs and are proper charges to the appropriate fixed capital accounts after the cost of the structure or equipment replaced has been credited thereto.

Cost as used in connection with any operating expense account means cash or money cost.

Labor means human service of any character.

Cost of labor means not only wages paid for manual labor, but also salaries and fees paid to persons engaged in clerical, engineering, and supervisory occupations.

Expenses means those expenditures that are incurred and are chargeable to operating expense accounts and which are neither labor nor materials and supplies.

NON OPERATING REVENUE ACCOUNTS.

The non operating revenue accounts of a natural gas utility are those in which it shall record for each fiscal period the amounts of money which it receives or becomes entitled to receive either from any service which it renders other than that of supplying natural gas to its consumers, or as a return upon any of its property which is used by others, or as a return upon any interest that it has in the property of others.

NON OPERATING EXPENSE ACCOUNTS.

The non operating expense accounts of a natural gas utility are those in which it shall record for each fiscal period the expenses incurred by it in rendering services other than supplying natural gas to its consumers and all other expenses incurred by it in procuring its various kinds of non operating revenues.

OPERATING INCOME OR LOSS.

The operating income of a natural gas utility for any fiscal period is the excess of the sum of the credit balances in its various operating revenue accounts over the sum of the debit balances in its various operating expense accounts. The operating loss is the reverse excess.

NON OPERATING INCOME OR LOSS.

The non operating income of a natural gas utility for any fiscal period is the excess of the sum of the credit balances in its various non operating revenue accounts over the sum of the debit balances in its various non operating expense accounts. The non operating loss is the reverse excess.

GROSS INCOME.

The gross income of a natural gas utility for any fiscal period is the sum of its operating and non operating incomes as each of these is defined in this classification.

NET INCOME OR LOSS.

The net income of a natural gas utility for any fiscal period is the excess of its gross income, as herein defined, over the sum of the balances in those accounts which are listed herein under the captain "V. GROSS INCOME DEDUCTION ACCOUNTS". The net loss is the reverse excess.

ACCOUNTS CHARGEABLE IN NATURAL GAS SALES.

In its sales of natural gas the utility shall charge either "171. SERVICE BILLED IN ADVANCE" account or "117. ACCOUNTS RECEIVABLE FROM CONSUMERS" account, according as such natural gas is paid for in advance of or subsequent to its consumption, the amount that is credited to each operating revenue account.

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PRESCRIBED FOR CLASSES A B AND C NATURAL GAS UTILITIES.

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307.	Unmetered Industrial Sales	A	B		68
308.	Unmetered Sales for Lighting Private Streets	A	B		68
309.	Other Unmetered Private Sales	A	B		69
	Unmetered Sales to Other Natural Gas Utilities			C	69
310.	Unmetered Sales to Affiliated Natural Gas Utilities	A	B		69
311.	Unmetered Sales to Non Affiliated Natural Gas Utilities	A	B		69
	Unmetered Public Sales			C	69
312.	Unmetered Sales for Municipal Street Lighting	A	B		69
313.	Unmetered Sales for Other Municipal Uses	A	B		69
314.	Consumers' Discounts Forfeited and Penalties Imposed	A	B	C	69
315.	Allowances to Consumers	A	B	C	69

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PRESCRIBED FOR "CLASS B" NATURAL GAS UTILITIES.

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300.	Metered Domestic and Commercial Sales	67
301.	Metered Industrial Sales	67
302.	Other Metered Private Sales	67
303.	Metered Sales to Affiliated Natural Gas Utilities	68
304.	Metered Sales to Non Affiliated Natural Gas Utilities	68
305.	Metered Public Sales	68
306.	Unmetered Domestic and Commercial Sales	68
307.	Unmetered Industrial Sales	68
308.	Unmetered Sales for Lighting Private Streets	68
309.	Other Unmetered Private Sales	69
310.	Unmetered Sales to Affiliated Natural Gas Utilities	69
311.	Unmetered Sales to Non Affiliated Natural Gas Utilities	69
312.	Unmetered Sales for Municipal Street Lighting	69
313.	Unmetered Sales for Other Municipal Uses	69
314.	Consumers' Discounts Forfeited and Penalties Imposed	69
315.	Allowances to Consumers	69

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PRESCRIBED FOR "CLASS C" NATURAL GAS UTILITIES.

I. OPERATING REVENUE ACCOUNTS.

Account Number.	Name of Account.	Page.
300–302.	Metered Private Sales	67
303–304.	Metered Sales to Other Natural Gas Utilities	68
305.	Metered Public Sales	68
306–309.	Unmetered Private Sales	68
310–311.	Unmetered Sales to Other Natural Gas Utilities	69
312–313.	Unmetered Public Sales	69
314.	Consumers Discounts Forfeited and Penalties Imposed	69
315.	Allowances to Consumers	69

TEXT EXPLANATORY OF INCOME ACCOUNTS.

I. OPERATING REVENUE ACCOUNTS.

Credit to the appropriate numbered accounts listed under this caption or to the appropriate subcaptions under which such numbered accounts are listed the amounts earned by the utility from its sales of natural gas.

These subcaptions as well as the numbered accounts listed under them are account titles. The letter, or letters, after each subcaption or numbered account indicates the class of the utility that is required to keep the account title prefixed thereto.

Each utility shall so keep the records supporting the entries to each operating revenue account that it can furnish information as to the name of each consumer, the quantity of natural gas sold to him, the rate, and the amount charged for it.

Where a utility sells natural gas to the same consumer at different rates it shall keep a separate record of the quantity sold at each rate.

METERED PRIVATE SALES—(Class C).

300. METERED DOMESTIC AND COMMERCIAL SALES—(Classes A and B).

Credit to this account the net amount earned by the utility from its metered sales of natural gas for domestic and commercial purposes.

In the credits to this account include the amounts earned from sales of natural gas to private dwellings, boarding and rooming houses, apartment houses, and like places of residence where natural gas is used primarily for domestic purposes; from sales of natural gas to hotels, restaurants, warehouses, wholesale and retail stores, office buildings, barns and garages not appurtenant to dwelling and apartment houses, private schools and colleges, churches, hospitals, and other private institutions, and all commercial establishments which do not use natural gas primarily for power or industrial purposes.

301. METERED INDUSTRIAL SALES—(Classes A and B).

Credit to this account the net amount earned by the utility from its metered sales of natural gas for power and industrial purposes.

In the credits to this account include the amounts earned from sales of natural gas to steel and iron mills, foundries, potteries, brick manufactories, factories, and all other establishments which use natural gas primarily for power and industrial purposes.

302. OTHER METERED PRIVATE SALES—(Classes A and B).

Credit to this account the net amount earned by the utility from its metered sales of natural gas for private purposes not provided for elsewhere.

In the credits to this account include the amounts earned from sales of natural gas to builders, contractors, circuses, drillers and others that use natural gas for a short time without permanent service connections.

OPERATING REVENUE ACCOUNTS.

METERED SALES TO OTHER NATURAL GAS UTILITIES—(Class C).

303. METERED SALES TO AFFILIATED NATURAL GAS UTILITIES—(Classes A and B).

Credit to this account the net amount earned by the utility from its metered sales of natural gas to natural gas utilities that are affiliated with it.

304. METERED SALES TO NON AFFILIATED NATURAL GAS UTILITIES—(Classes A and B).

Credit to this account the net amount earned by the utility from its metered sales of natural gas to natural gas utilities that are not affiliated with it.

305. METERED PUBLIC SALES—(Classes A B and C).

Credit to this account the net amount earned by the utility from its metered sales of natural gas to municipalities.

UNMETERED PRIVATE SALES—(Class C).

306. UNMETERED DOMESTIC AND COMMERCIAL SALES—(Classes A and B).

Credit to this account the net amount earned by the utility from its unmetered sales of natural gas for domestic and commercial purposes.

In the credits to this account include the amounts earned from sales of natural gas to private dwellings, boarding and rooming houses, apartment houses, and like places of residence where natural gas is used primarily for domestic purposes; from sales of natural gas to hotels, restaurants, warehouses, wholesale and retail stores, office buildings, barns and garages not appurtenant to dwelling and apartment houses, private schools and colleges, churches, hospitals, and other private institutions, and all commercial establishments which do not use natural gas primarily for power or industrial purposes.

307. UNMETERED INDUSTRIAL SALES—(Classes A and B).

Credit to this account the net amount earned by the utility from its unmetered sales of natural gas for power and industrial purposes.

In the credits to this account include the amounts earned from sales of natural gas to steel and iron mills, foundries, potteries, brick manufactories, factories, and all other establishments which use natural gas primarily for power and industrial purposes.

308. UNMETERED SALES FOR LIGHTING PRIVATE STREETS—(Classes A and B).

Credit to this account the net amount earned by the utility from its unmetered sales of natural gas for lighting private streets.

In the credits to this account include the amounts earned from sales of natural gas for lighting private streets, alleys, bridges, viaducts, parks, yards, rights of way, etc.; also the amounts earned from sales of natural gas to individuals and concerns for cooperative street lighting whether such streets are private or public.

Operating Revenue Accounts.

309. Other Unmetered Private Sales—(Classes A and B).

Credit to this account the net amount earned by the utility from its unmetered sales of natural gas for private purposes not provided for elsewhere.

In the credits to this account include the amounts earned from sales of natural gas to builders, contractors, circuses, drillers and others that use natural gas for a short time without permanent service connections.

Unmetered Sales to Other Natural Gas Utilities—(Class C).

310. Unmetered Sales to Affiliated Natural Gas Utilities—(Classes A and B).

Credit to this account the net amount earned by the utility from its unmetered sales of natural gas to natural gas utilities that are affiliated with it.

311. Unmetered Sales to Non Affiliated Natural Gas Utilities—(Classes A and B).

Credit to this account the net amount earned by the utility from its unmetered sales of natural gas to gas utilities that are not affiliated with it.

Unmetered Public Sales—(Class C).

312. Unmetered Sales for Municipal Street Lighting—(Classes A and B).

Credit to this account the net amount earned by the utility from its unmetered sales of natural gas to municipalities for street lighting.

In the credits to this account include the amounts earned from sales of natural gas for lighting public streets, alleys, bridges, viaducts, parks, commons, etc.

313. Unmetered Sales for Other Municipal Uses—(Classes A and B).

Credit to this account the net amount earned by the utility from its unmetered sales of natural gas to municipalities for purposes not provided for elsewhere.

314. Consumers Discounts Forfeited and Penalties Imposed—(Classes A B and C).

Credit to this account the amounts of those discounts which the utility allows its consumers on condition that they pay their natural gas bills on or before a specified date and which are forfeited by the consumers because of their failure to pay their bills within the specified time.

Credit also to this account the amounts of penalties imposed by the utility on its consumers because of their failure to pay their natural gas bills within a stated time.

315. Allowances to Consumers—(Classes A B and C).

Charge to this account the amounts of allowances to consumers made by the utility on its natural gas sales.

Exclude from this account all allowances that are applicable to previous fiscal periods.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the name and kind of each consumer to whom an allowance is made, the amount allowed him, and the reason for making the allowance.

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PRESCRIBED FOR CLASSES A B AND C NATURAL GAS UTILITIES.

II. OPERATING EXPENSE ACCOUNTS.

Account Number.	Name of Account.	Class.			Page.
	A. PRODUCTION SYSTEM OPERATING EXPENSE ACCOUNTS.				
	Operating Labor		B	C	79
350.	Superintendence	A			79
351.	Gas Well and Field Line Labor	A			79
352.	Field Measuring Station Labor	A			79
353.	Other Labor	A			80
	Operating Supplies and Expenses		B	C	80
354.	Superintendence Supplies and Expenses	A			80
355.	Gas Well and Field Line Supplies and Expenses	A			80
356.	Field Measuring Station Supplies and Expenses	A			80
357.	Production System Rent	A			80
358.	Other Supplies and Expenses	A			80
359.	Gas Well Royalties	A	B	C	81
360.	Rental on Unoperated Leases	A	B	C	81
	Maintenance of Production System Structures		B	C	81
361.	Maintenance of Gas Well Structures	A			81
362.	Maintenance of Other Production System Structures	A			81
	Maintenance of Production System Equipment			C	82
	Maintenance of Gas Well and Field Line Equipment		B		82
363.	Maintenance of Gas Well Equipment	A			82
364.	Maintenance of Field Line Equipment	A			82
365.	Abandoning Wells and Changing Field Lines	A			82
	Maintenance of Other Production System Equipment		B		82
366.	Maintenance of Field Measuring Station Equipment	A			82
367.	Maintenance of Drilling and Cleaning Equipment	A			82
368.	Maintenance of Other Production Equipment	A			83
	B. NATURAL GAS PRODUCED BY OTHERS.				
369.	Natural Gas Purchased for Resale	A	B	C	83
370.	Purchased Gas Expense	A	B	C	83

Account Number.	Name of Account.	Class.			Page
	C. TRANSMISSION SYSTEM OPERATING EXPENSE ACCOUNTS.				
	Operating Labor		B	C	83
371.	Superintendence	A			83
372.	Compressing Station Labor	A			83
373.	Measuring Station Labor	A			84
374.	Transmission Line Labor	A			84
375.	Other Transmission System Labor	A			84
	Operating Supplies and Expenses		B	C	84
376.	Superintendence Supplies and Expenses	A			84
377.	Compressing Station Supplies and Expenses	A			84
378.	Measuring Station Supplies and Expenses	A			84
379.	Transmission Line Supplies and Expenses	A			85
380.	Transmission System Rent	A			85
381.	Other Transmission System Supplies and Expenses	A			85
	Maintenance of Transmission System Structures		B	C	85
382.	Maintenance of Compressing Station Structures	A			85
383.	Maintenance of Other Transmission System Structures	A			85
	Maintenance of Transmission System Equipment			C	85
384.	Maintenance of Compressing Station Equipment	A	B		85
	Maintenance of Transmission Lines		B		86
385.	Maintenance of Transmission Line Equipment	A			86
386.	Changing Transmission Lines	A			86
	Maintenence of Other Transmission System Equipment		B		86
387.	Maintenaece of Measuring Station Equipment	A			86
388.	Maintenance of Other Transmission Equipment	A			86
	D. DISTRIBUTION SYSTEM OPERATING EXPENSE ACCOUNTS.				
	Operating Labor		B	C	86
389.	Superintendence	A			86
390.	Distribution Line Labor	A			86
391.	Labor Removing and Resetting Meters and House Regulators	A			87

OPERATING EXPENSE ACCOUNTS.

Account Number.	Name of Account.	Class			Page.
392.	LABOR INSPECTING AND TESTING METERS AND HOUSE REGULATORS	A			87
393.	OTHER METER DEPARTMENT LABOR	A			87
394.	OTHER DISTRIBUTION SYSTEM LABOR	A			87
	OPERATING SUPPLIES AND EXPENSES		B	C	87
395.	SUPERINTENDENCE SUPPLIES AND EXPENSES	A			87
396.	DISTRIBUTION LINE SUPPLIES AND EXPENSES	A			88
397.	METER DEPARTMENT SUPPLIES AND EXPENSES	A			88
398.	DISTRIBUTION SYSTEM RENT	A			88
399.	OTHER DISTRIBUTION SYSTEM SUPPLIES AND EXPENSES	A			88
400.	MAINTENANCE OF DISTRIBUTION SYSTEM STRUCTURES	A	B	C	88
	MAINTENANCE OF DISTRIBUTION SYSTEM EQUIPMENT			C	88
	MAINTENANCE OF DISTRIBUTION SYSTEM LINES		B		88
401.	MAINTENANCE OF DISTRIBUTION LINE EQUIPMENT	A			88
402.	CHANGING DISTRIBUTION LINES	A			89
403.	MAINTENANCE OF SERVICE LINE EQUIPMENT	A			89
	MAINTENANCE OF METERS AND HOUSE REGULATORS		B		89
404.	MAINTENANCE OF METERS	A			89
405.	MAINTENANCE OF HOUSE REGULATORS	A			89
	MAINTENANCE OF OTHER DISTRIBUTION SYSTEM EQUIPMENT		B		89
406.	MAINTENANCE OF GAS RECEIVERS AND DISTRICT REGULATORS	A			89
407.	MAINTENANCE OF OTHER DISTRIBUTION EQUIPMENT	A			89

E. UTILIZATION SYSTEM OPERATING EXPENSE ACCOUNTS.

	OPERATING LABOR		B	C	90
408.	COMMERCIAL LIGHTING SYSTEM LABOR	A			90
409.	MUNICIPAL STREET LIGHTING SYSTEM LABOR	A			90
410.	PRIVATE STREET LIGHTING SYSTEM LABOR	A			90
411.	CONSUMERS' PREMISES LABOR	A			90
	OPERATING SUPPLIES AND EXPENSES		B	C	90
412.	COMMERCIAL LIGHTING SYSTEM SUPPLIES AND EXPENSES	A			90
413.	MUNICIPAL STREET LIGHTING SYSTEM SUPPLIES AND EXPENSES	A			91
414.	PRIVATE STREET LIGHTING SYSTEM SUPPLIES AND EXPENSES	A			91
415.	CONSUMERS' PREMISES SUPPLIES AND EXPENSES	A			91
	MAINTENANCE OF UTILIZATION SYSTEM EQUIPMENT		B	C	91
416.	MAINTENANCE OF COMMERCIAL LIGHTING SYSTEM	A			91

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418.	MAINTENANCE OF PRIVATE STREET LIGHTING SYSTEM	A			92
419.	MAINTENANCE OF OTHER UTILIZATION EQUIPMENT	A			92
	F. COMMERCIAL DEPARTMENT OPERATING EXPENSE ACCOUNTS.				
420.	OPERATING LABOR	A	B	C	92
421.	OPERATING SUPPLIES AND EXPENSES	A	B	C	92
	G. NEW BUSINESS DEPARTMENT OPERATING EXPENSE ACCOUNTS.				
	NEW BUSINESS SALARIES AND COMMISSIONS		B	C	93
422.	NEW BUSINESS SALARIES	A			93
423.	NEW BUSINESS COMMISSIONS	A			93
424.	NEW BUSINESS SUPPLIES AND EXPENSES	A	B	C	93
425.	NEW BUSINESS PIPING LABOR	A	B	C	93
426.	NEW BUSINESS PIPING SUPPLIES AND EXPENSES	A	B	C	93
	H. GENERAL ADMINISTRATIVE EXPENSE ACCOUNTS.				
	GENERAL ADMINISTRATIVE SALARIES		B	C	94
427.	SALARIES OF GENERAL OFFICERS	A			94
428.	SALARIES OF GENERAL OFFICE CLERKS	A			94
	GENERAL ADMINISTRATIVE SUPPLIES AND EXPENSES			C	94
	GENERAL ADMINISTRATIVE SUPPLIES		B		94
429.	GENERAL OFFICE STATIONERY AND PRINTING	A			94
430.	OTHER GENERAL OFFICE SUPPLIES	A			94
	GENERAL OFFICERS' AND GENERAL OFFICE CLERKS' EXPENSES		B		95
431.	GENERAL OFFICERS' EXPENSES	A			95
432.	GENERAL OFFICE CLERKS' EXPENSES	A			95
	OTHER GENERAL ADMINISTRATIVE EXPENSES		B		95
433.	GENERAL LAW EXPENSES	A			95
434.	GENERAL OFFICE RENT	A			95
435.	OTHER GENERAL OFFICE EXPENSES	A			96
436.	MAINTENANCE OF GENERAL OFFICE STRUCTURES	A	B	C	96
437.	MAINTENANCE OF GENERAL OFFICE EQUIPMENT	A	B	C	96
	I. OTHER GENERAL EXPENSE ACCOUNTS.				
	GENERAL LABOR			C	96
438.	STORE LABOR	A	B		96
	STABLE AND GARAGE LABOR		B		96
439.	STABLE LABOR	A			96
440.	GARAGE LABOR	A			96
	SHOP AND LABORATORY LABOR		B		97
441.	SHOP LABOR	A			97
442.	LABORATORY LABOR	A			97
443.	TELEPHONE AND TELEGRAPH SYSTEM LABOR	A	B		97

Operating Expense Accounts.

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	Stable and Garage Supplies and Expenses		B		97
445.	Stable Supplies and Expenses	A			97
446.	Garage Supplies and Expenses	A			98
	Shop and Laboratory Supplies and Expenses		B		98
447.	Shop Supplies and Expenses	A			98
448.	Laboratory Supplies and Expenses	A			98
449.	Telephone and Telegraph System Supplies and Expenses	A	B		98
450.	Natural Gas Franchise Requirements	A	B	C	98
451.	Taxes	A	B	C	99
452.	Uncollectible Consumers' Accounts	A	B	C	99
	Other General Expenses			C	99
453.	Public Service Commission Expense	A	B		99
	Insurance and Pension Expense		B		99
454.	Injuries and Damages	A			99
455.	Other Insurance	A			100
456.	Pensions	A			100
457.	Other General Expense	A	B		100
	General Adjustments			C	101
458.	Inventory Adjustments	A	B		101
459.	Discount on Materials and Supplies	A	B		101
460.	Utility's Natural Gas Used in Operations	A	B		101
461.	Free Municipal Natural Gas Service	A	B		101
	Maintenance of General Structures		B	C	101
462.	Maintenance of General Store Structures	A			101
463.	Maintenance of General Stable Structures	A			102
464	Maintenance of General Garage Structures	A			102
465.	Maintenance of General Shop Structures	A			102
466.	Maintenance of General Laboratory Structures	A			102
467.	Maintenance of Other General Structures	A			102
	Maintenance of General Equipment		B	C	102
468.	Maintenance of General Store Equipment	A			102
469.	Maintenance of General Stable Equipment	A			102
470.	Maintenance of General Garage Equipment	A			103
471.	Maintenance of General Shop Equipment	A			103
472.	Maintenance of General Laboratory Equipment	A			103
473.	Maintenance of General Telephone and Telegraph System	A			103
474.	Maintenance of Other General Equipment	A			103
475.	Depreciation	A	B	C	103
476.	Extraordinary Depreciation	A	B	C	104
477.	Amortization of Franchises, Patent Rights and Licenses	A	B	C	104
478.	Amortization of Natural Gas Rights and Gas Leases	A	B	C	104
479.	Joint Operating Expenses Transferred	A	B	C	104

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350–353.	Operating Labor	79
354–358.	Operating Supplies and Expenses	80
359.	Gas Well Royalties	81
360.	Rentals on Unoperated Leases	81
361–362.	Maintenance of Production System Structures	81
363–365.	Maintenance of Gas Well and Field Line Equipment	82
366–368.	Maintenance of Other Production System Equipment	82
	B. NATURAL GAS PRODUCED BY OTHERS.	
369.	Natural Gas Purchased for Resale	83
370.	Purchased Gas Expense	83
	C. TRANSMISSION SYSTEM OPERATING EXPENSE ACCOUNTS.	
371–375.	Operating Labor	83
376–381.	Operating Supplies and Expenses	84
382–383.	Maintenance of Transmission System Structures	85
384.	Maintenance of Compressing Station Equipment	85
385–386.	Maintenance of Transmission Lines	86
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389–394.	Operating Labor	86
395–399.	Operating Supplies and Expenses	87
400.	Maintenance of Distribution System Structures	88
401–403.	Maintenance of Distribution System Lines	88
404–405.	Maintenance of Meters and House Regulators	89
406–407.	Maintenance of Other Distribution System Equipment	89
	E. UTILIZATION SYSTEM OPERATING EXPENSE ACCOUNTS.	
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412–415.	Operating Supplies and Expenses	90
416–419.	Maintenance of Utilization System Equipment	91

Operating Expense Accounts.

Account Number.	Name of Account.	Page.
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421.	Operating Supplies and Expenses	92
	G. NEW BUSINESS DEPARTMENT OPERATING EXPENSE ACCOUNTS.	
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424.	New Business Supplies and Expenses	93
425.	New Business Piping Labor	93
426.	New Business Piping Supplies and Expenses	93
	H. GENERAL ADMINISTRATIVE EXPENSE ACCOUNTS.	
427–428.	General Administrative Salaries	94
429–430.	General Administrative Supplies	94
431–432.	General Officers' and General Office Clerks' Expenses	95
433–435.	Other General Administrative Expenses	95
436.	Maintenance of General Office Structures	96
437.	Maintenance of General Office Equipment	96
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439–440.	Stable and Garage Labor	96
441–442.	Shop and Laboratory Labor	97
443.	Telephone and Telegraph System Labor	97
444.	Store Supplies and Expenses	97
445–446.	Stable and Garage Supplies and Expenses	97
447–448.	Shop and Laboratory Supplies and Expenses	98
449.	Telephone and Telegraph System Supplies and Expenses	98
450.	Natural Gas Franchise Requirements	98
451.	Taxes	99
452.	Uncollectible Consumers' Accounts	99
453.	Public Service Commission Expense	99
454–456.	Insurance and Pension Expense	99
457.	Other General Expense	100
458.	Inventory Adjustments	101
459.	Discount on Materials and Supplies	101
460.	Utility's Natural Gas Used in Operations	101
461.	Free Municipal Natural Gas Service	101
462–467.	Maintenance of General Structures	101
468–474.	Maintenance of General Equipment	102
475.	Depreciation	103
476.	Extraordinary Depreciation	104
477.	Amortization of Franchises, Patent Rights and Licenses	104
478.	Amortization of Natural Gas Rights and Gas Leases	104
479.	Joint Operating Expenses Transferred	104

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II. OPERATING EXPENSE ACCOUNTS.

Account Number.	Name of Account.	Page.
	A. PRODUCTION SYSTEM OPERATING EXPENSE ACCOUNTS.	
350–353.	Operating Labor	79
354–358.	Operating Supplies and Expenses	80
359.	Gas Well Royalties	81
360.	Rentals on Unoperated Leases	81
361–362.	Maintenance of Production System Structures	81
363–368.	Maintenance of Production System Equipment	82
	B. NATURAL GAS PRODUCED BY OTHERS.	
369.	Natural Gas Purchased for Resale	83
370.	Purchased Gas Expense	83
	C. TRANSMISSION SYSTEM OPERATING EXPENSE ACCOUNTS.	
371–375.	Operating Labor	83
376–381.	Operating Supplies and Expenses	84
382–383.	Maintenance of Transmission System Structures	85
384–388.	Maintenance of Transmission System Equipment	85
	D. DISTRIBUTION SYSTEM OPERATING EXPENSE ACCOUNTS.	
389–394.	Operating Labor	86
395–399.	Operating Supplies and Expenses	87
400.	Maintenance of Distribution System Structures	88
401–407.	Maintenance of Distribution System Equipment	88
	E. UTILIZATION SYSTEM OPERATING EXPENSE ACCOUNTS.	
408–411.	Operating Labor	90
412–415.	Operating Supplies and Expenses	90
416–419.	Maintenance of Utilization System Equipment	91
	F. COMMERCIAL DEPARTMENT OPERATING EXPENSE ACCOUNTS.	
420.	Operating Labor	92
421.	Operating Supplies and Expenses	92

Operating Expense Accounts.

Account Number.	Name of Account.	Page.
	G. NEW BUSINESS DEPARTMENT OPERATING EXPENSE ACCOUNTS.	
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424.	New Business Supplies and Expenses	93
425.	New Business Piping Labor	93
426.	New Business Piping Supplies and Expenses	93
	H. GENERAL ADMINISTRATIVE EXPENSE ACCOUNTS.	
427–428.	General Administrative Salaries	94
429–435.	General Administrative Supplies and Expenses	94
436.	Maintenance of General Office Structures	96
437.	Maintenance of General Office Equipment	96
	I. OTHER GENERAL EXPENSE ACCOUNTS.	
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444–449.	General Supplies and Expenses	97
450.	Natural Gas Franchise Requirements	98
451.	Taxes	99
452.	Uncollectible Consumers' Accounts	99
453–457.	Other General Expenses	99
458–461.	General Adjustments	101
462–467.	Maintenance of General Structures	101
468–474.	Maintenance of General Equipment	102
475.	Depreciation	103
476.	Extraordinary Depreciation	104
477.	Amortization of Franchises, Patent Rights and Licenses	104
478.	Amortization of Natural Gas Rights and Gas Leases	104
479.	Joint Operating Expenses Transferred	104

TEXT EXPLANATORY OF INCOME ACCOUNTS.

II. OPERATING EXPENSE ACCOUNTS.

Charge to the appropriate numbered accounts listed under this caption or to the appropriate subcaptions under which such numbered accounts are listed the amounts of operating expenses incurred by the utility in the conduct of its natural gas operations.

These subcaptions as well as the numbered accounts listed under them are account titles. The letter, or letters, after each subcaption or numbered account indicates the class of the utility that is required to keep the account title prefixed thereto.

Each natural gas utility shall so keep the records supporting the entries to each maintenance account listed under this caption that it can furnish information as to the separate cost of labor, materials and supplies, and expenses charged thereto.

A. PRODUCTION SYSTEM OPERATING EXPENSE ACCOUNTS.

OPERATING LABOR—(Classes B and C).

350. SUPERINTENDENCE—(Class A).

Charge to this account the cost of labor employed by the utility in a general supervisory capacity in the operation of its natural gas production system.

In the charges to this account include the salaries of the superintendent and foremen of the production system; also that portion of the salaries of the engineering staff, consulting operating engineers, draftsmen, chemists, clerks, etc., that is chargeable to the operation of the production system.

Exclude from this account salaries and wages for services of this character performed in the maintenance of such property.

351. GAS WELL AND FIELD LINE LABOR—(Class A).

Charge to this account the cost of labor employed by the utility in the operation of its gas wells and field lines.

In the charges to this account include the cost of the labor of those employed in pumping and gauging wells, blowing lines and wells, patrolling lines, inspecting field line regulators, taking pressures, operating reducing stations, fighting forest fires, and performing other services in the operation of gas wells and field lines.

Exclude from this account maintenance labor.

352. FIELD MEASURING STATION LABOR—(Class A).

Charge to this account the cost of labor employed by the utility in operating field measuring stations used to measure the quantity of natural gas produced by the utility.

In the charges to this account include the cost of the labor of those employed in operating measuring devices, calculating the quantity of gas produced by the utility, and performing other services in the operation of the field measuring stations.

Exclude from this account the cost of field measuring operations in connection with gas purchased from other producers.

Exclude also from this account maintenance labor.

OPERATING EXPENSE ACCOUNTS.

353. OTHER LABOR—(Class A).

Charge to this account the cost of labor, not provided for elsewhere, employed by the utility in the production of natural gas.

Exclude from this account maintenance labor.

OPERATING SUPPLIES AND EXPENSES—(Classes B and C).

354. SUPERINTENDENCE SUPPLIES AND EXPENSES—(Class A).

Charge to this account the cost of supplies used and expenses incurred for the benefit of the utility by its superintendents and others employed in a supervisory capacity in the production of natural gas.

In the charges to this account include the cost of supplies used and such expenses as train fares, carfares, hotel expenses, meals, and like necessary expenses incurred by superintendents and others employed in a supervisory capacity in the production of the utility's natural gas.

355. GAS WELL AND FIELD LINE SUPPLIES AND EXPENSES—(Class A).

Charge to this account the cost of supplies used and expenses incurred for the benefit of the utility by employees other than superintendents engaged in the operation of its gas wells and field lines.

In the charges to this account include the cost of such supplies as fuel, oil, waste, tools, etc., and such expenses as train fares, carfares, hotel expenses, meals and like necessary expenses incurred by employees other than superintendents engaged in operating the utility's gas wells and field lines.

356. FIELD MEASURING STATION SUPPLIES AND EXPENSES—(Class A.)

Charge to this account the cost of supplies used and expenses incurred for the benefit of the utility by employees engaged in the operation of its field measuring stations.

In the charges to this account include the cost of fuel, oil, waste, tools, meter charts, etc., and such expenses as train fares, carfares, hotel expenses, meals, and like necessary expenses incurred by employees engaged in the operation of the utility's field measuring stations.

357. PRODUCTION SYSTEM RENT—(Class A).

Charge to this account the amount of rent accrued during each accounting period on property rented by the utility from others for a short term for use in connection with the production of natural gas and in which the utility makes no investment other than expenditures for repairs or changes for its own convenience.

If the utility leases such property for a long term and enjoys exclusive use thereof during the period of the lease, it shall charge the rent that it pays thereon to "C00. RENT FOR LEASE OF NATURAL GAS SYSTEM PROPERTIES" account.

358. OTHER SUPPLIES AND EXPENSES—(Class A).

Charge to this account the cost, not provided for elsewhere, of all supplies used and expenses incurred for the benefit of the utility by employees engaged in the operation of its natural gas production system.

Operating Expense Accounts.

359. Gas Well Royalties—(Classes A B and C).

Charge to this account the amounts of royalties paid for natural gas produced by the utility from land owned by others.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the name of each party to each contract involving royalties, the terms of each contract, the location of each gas well operated on a royalty basis, the methods of determining royalties paid, and the amounts of royalties paid in agreement with the terms of each contract.

360. Rentals on Unoperated Leases—(Classes A B and C).

Charge to this account the amount of rent accrued during each accounting period on gas leases which are being held by the utility for future production of natural gas.

The records supporting the entries to this account shall be so kept that the utility can furnish information for each lease as to the name of the lessor and a description of the land leased by him; the period and the terms of the lease including the amount of rent payable thereunder; whether such lessor controls, is controlled by, or is in any way affiliated with the utility; whether the rent is payable in cash or is disbursed by the utility for the lessor as interest on funded debt, guaranteed dividends on stock or otherwise.

Maintenance of Production System Structures—(Classes B and C).

361. Maintenance of Gas Well Structures—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to its gas well structures.

In the charges to this account include the cost of repairs to such structures as buildings used to house gate valves, pumping equipment, and other apparatus necessary to keep gas wells in operation.

362. Maintenance of Other Production System Structures—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to all other structures of the production system.

In the charges to this account include the cost of repairs to structures used to house meters and other appliances used in measuring gas before it is conveyed to compressing or boosting stations or other points where the transmission system begins, and all other buildings or other forms of structures used in the production of natural gas.

OPERATING EXPENSE ACCOUNTS.

MAINTENANCE OF PRODUCTION SYSTEM EQUIPMENT—(Class C).

MAINTENANCE OF GAS WELL AND FIELD LINE EQUIPMENT—(Class B).

363. MAINTENANCE OF GAS WELL EQUIPMENT—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in cleaning out wells and in making repairs to its gas well equipment.

In the charges to this account include the cost of repairs to drive pipe, casing, tubing, packers, fittings, and all other gas well equipment up to and including well gates and stops. Charge also to this account the cost of repairs to engines and appliances used exclusively in the operation of natural gas wells.

364. MAINTENANCE OF FIELD LINE EQUIPMENT—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to lines used by it in collecting natural gas from wells and conveying it to compressing or boosting stations or other points where the transmission system begins.

In the charges to this account include the cost of repairs to pipe, collars, couplings, other fittings, gates, valves and other equipment accessory to the field lines.

365. ABANDONING WELLS AND CHANGING FIELD LINES—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in changing the location of its field lines and abandoning wells and lines.

MAINTENANCE OF OTHER PRODUCTION SYSTEM EQUIPMENT—(Class B).

366. MAINTENANCE OF FIELD MEASURING STATION EQUIPMENT—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to its field measuring station equipment.

In the charges to this account include the cost of repairs to meters, gauges and other devices used by the utility to measure natural gas collected by the field lines before it is conveyed to compressing or boosting stations or other points where the transmission system begins.

367. MAINTENANCE OF DRILLING AND CLEANING EQUIPMENT—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to its drilling and cleaning equipment.

In the charges to this account include the cost of repairs to portable engines, pumps, boilers, drilling cables, rope sockets, swivel wrenches, bailers, and other equipment used in drilling and cleaning natural gas wells.

Operating Expense Accounts.

368. Maintenance of Other Production Equipment—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to all equipment, not provided for elsewhere, used in the production of natural gas.

B. NATURAL GAS PRODUCED BY OTHERS.

369. Natural Gas Purchased for Resale—(Classes A B and C).

Charge to this account the amount paid for natural gas produced by others and purchased by the utility for resale.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the name of each vendor of such natural gas; whether or not the utility controls, is controlled by, or is in any way affiliated with such vendor; the quantity of natural gas purchased from each vendor; and the rate and amount paid for it.

370. Purchased Gas Expense—(Classes A B and C).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in connection with the purchase of natural gas for resale.

In the charges to this account include the cost of operating measuring devices, and calculating the quantity of gas purchased for resale; also the cost of supplies as fuel, oil, waste, tools, meter charts, ink, etc., and such expenses as train fares, car fares, hotel expenses, meals and like necessary expenses incurred by the utility in the purchase of natural gas for resale.

C. TRANSMISSION SYSTEM OPERATING EXPENSE ACCOUNTS.

Operating Labor—(Classes B and C).

371. Superintendence—(Class A).

Charge to this account the cost of labor employed by the utility in a general supervisory capacity in the operation of its transmission system.

In the charges to this account include the salaries of superintendents and foremen having supervision over the operation of the compressing stations, transmission lines, and other parts of the utility's transmission system.

Exclude from this account salaries for services of this character performed in the maintenance of the transmission system properties.

372. Compressing Station Labor—(Class A).

Charge to this account the cost of labor employed by the utility in the operation of its compressing stations.

In the charges to this account include the cost of the labor of engineers, oilers, wipers, and others employed in the operation of engines, compressors, boosters, lighting and ventilating appliances, and other equipment in the compressing stations.

Operating Expense Accounts.

373. Measuring Station Labor—(Class A).

Charge to this account the cost of labor employed by the utility in the operation of the measuring stations in its transmission system.

In the charges to this account include the cost of the labor of those employed in operating measuring devices used to compute the quantity of gas flowing through transmission lines, and performing all other services in the operation of the transmission system measuring stations.

Exclude from this account maintenance labor.

374. Transmission Line Labor—(Class A).

Charge to this account the cost of labor employed by the utility in the operation of its transmission lines.

In the charges to this account include the cost of the labor of those employed in patrolling lines, taking pressures, blowing lines, attending gates and performing other services in the operation of the transmission lines.

Exclude from this account maintenance labor.

375. Other Transmission System Labor—(Class A).

Charge to this account the cost of labor, not provided for elsewhere, employed by the utility in the operation of its transmission system.

Exclude from this account maintenance labor.

Operating Supplies and Expenses—(Classes B and C).

376. Superintendence Supplies and Expenses—(Class A).

Charge to this account the cost of supplies used and expenses incurred for the benefit of the utility by its superintendents and others employed in a supervisory capacity in the operation of its transmission system.

In the charges to this account include the cost of supplies used and such expenses as train fares, carfares, hotel expenses, meals, and like necessary expenses incurred by superintendents and others employed in a supervisory capacity in the operation of the utility's transmission system.

377. Compressing Station Supplies and Expenses—(Class A).

Charge to this account the cost of supplies used and expenses incurred by the utility in the operation of its compressing stations.

In the charges to this account include the cost of fuel, lubricants, waste, wipers, brooms, shovels, scoops, hand tools, stationery and printing, postage, light, heat, drinking water, ice, soap, water for cooling compressors and for general use, and like supplies used and expenses incurred in the operation of the compressing stations.

378. Measuring Station Supplies and Expenses—(Class A).

Charge to this account the cost of supplies used and expenses incurred by the utility in the operation of the measuring stations in its transmission system.

OPERATING EXPENSE ACCOUNTS.

In the charges to this account include the cost of oil, waste, tools, meter charts, and other supplies used and expenses incurred in the operation of the measuring stations.

379. TRANSMISSION LINE SUPPLIES AND EXPENSES—(Class A).

Charge to this account the cost of supplies used and expenses incurred by the utility in the operation of its transmission lines.

380. TRANSMISSION SYSTEM RENT—(Class A).

Charge to this account the amount of rent accrued during each accounting period on property rented by the utility from others for a short term for use in transmitting natural gas and in which the utility makes no investment other than expenditures for repairs or changes for its own convenience.

If the utility leases such property for a long term and enjoys exclusive use thereof during the period of the lease, it shall charge the rent that it pays thereon to "600. RENT FOR LEASE OF NATURAL GAS SYSTEM PROPERTIES" account.

381. OTHER TRANSMISSION SYSTEM SUPPLIES AND EXPENSES—(Class A).

Charge to this account the cost, not provided for elsewhere, of all supplies used and expenses incurred by the utility in the operation of its transmission system.

MAINTENANCE OF TRANSMISSION SYSTEM STRUCTURES—(Classes B and C).

382. MAINTENANCE OF COMPRESSING STATION STRUCTURES—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to its compressing station structures.

In the charges to this account include the cost of repairs to buildings used to house compressors, boosters, and appurtenant engines and equipment.

383. MAINTENANCE OF OTHER TRANSMISSION SYSTEM STRUCTURES—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to structures, not provided for elsewhere, used to house transmission system equipment.

MAINTENANCE OF TRANSMISSION SYSTEM EQUIPMENT—(Class C).

384. MAINTENANCE OF COMPRESSING STATION EQUIPMENT—(Classes A and B).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to its compressing station equipment.

In the charges to this account include the cost of repairs to compressors, boosters, gas and steam engines, electric motors, lighting and ventilating appliances, and all other equipment used in the compressing station.

OPERATING EXPENSE ACCOUNTS.

MAINTENANCE OF TRANSMISSION LINES—(Class B).

385. MAINTENANCE OF TRANSMISSION LINE EQUIPMENT—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to its transmission lines.

In the charges to this account include the cost of repairs to pipe, fittings, collars, couplings, other fittings, gates, valves, and other equipment accessory to the transmission pipe lines.

386. CHANGING TRANSMISSION LINES—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in changing the location of its transmission lines.

MAINTENANCE OF OTHER TRANSMISSION SYSTEM EQUIPMENT—(Class B).

387. MAINTENANCE OF MEASURING STATION EQUIPMENT—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to the measuring station equipment in its transmission system.

In the charges to this account include the cost of repairs to meters, gauges, and other equipment used in the transmission system measuring station.

388. MAINTENANCE OF OTHER TRANSMISSION EQUIPMENT—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to equipment, not provided for elsewhere, used in its transmission system.

D. DISTRIBUTION SYSTEM OPERATING EXPENSE ACCOUNTS.

OPERATING LABOR—(Classes B and C).

389. SUPERINTENDENCE—(Class A).

Charge to this account the cost of labor employed by the utility in a general supervisory capacity in the operation of its distrbution system.

In the charges to this account include the salaries of the superintendent and foremen of the distribution system; also that portion of the salaries of the engineering staff, consulting operating engineers, draftsmen, chemists, clerks, etc., that is chargeable to the operation of the distribution system.

Exclude from this account salaries for services of this character performed in the maintenance of the distribution system properties.

390. DISTRIBUTION LINE LABOR—(Class A).

Charge to this account the cost of labor employed by the utility in the operation of its distribution lines.

Operating Expense Accounts.

In the charges to this account include the cost of the labor of those employed in inspecting district regulators, mains and service lines, taking pressures, attending gates, and performing other services in the operation of the utility's distribution lines.

Exclude from this account maintenance labor.

391. Labor Removing and Resetting Meters and House Regulators—(Class A).

Charge to this account the cost of labor employed by the utility in removing and resetting its meters and house regulators used on the premises of consumers.

In the charges to this account include the cost of the labor of those employed in removing meters, and house regulators from the premises of the consumer to the utility's shop for testing purposes, resetting or replacing such meters and house regulators after they have been tested, changing location of meters and house regulators on consumers' premises, and performing like services.

Exclude from this account maintenance labor.

392. Labor Inspecting and Testing Meters and House Regulators—(Class A).

Charge to this account the cost of the labor of those employed by the utility in inspecting and testing meters and house regulators that are in use.

Exclude from this account maintenance labor.

393. Other Meter Department Labor—(Class A).

Charge to this account the cost of the labor, not provided for elsewhere, employed by the utility in the operation of its meter department.

Exclude from this account maintenance labor.

394. Other Distribution System Labor—(Class A).

Charge to this account the cost of the labor, not provided for elsewhere, employed by the utility in the operation of its distribution system.

Exclude from this account maintenance labor.

Operating Supplies and Expenses—(Classes B and C).

395. Superintendence Supplies and Expenses—(Class A).

Charge to this account the cost of supplies used and expenses incurred for the benefit of the utility by its superintendents and others employed in a general supervisory capacity in the operation of its distribution system.

In the charges to this account include the cost of supplies used and such expenses as train fares, carfares, hotel expenses, meals, and like necessary expenses incurred by the superintendents and others employed in a supervisory capacity in the operation of the utility's distribution system.

OPERATING EXPENSE ACCOUNTS.

396. DISTRIBUTION LINE SUPPLIES AND EXPENSES—(Class A).

Charge to this account the cost of supplies used and expenses incurred by the utility in the operation of its distribution lines.

In the charges to this account include the cost of supplies used and such expenses as train fares, carfares, hotel expenses, meals, and like necessary expenses incurred by the employees of the utility other than those employed in a supervisory capacity, in the operation of the utility's district regulators, distribution and service lines.

397. METER DEPARTMENT SUPPLIES AND EXPENSES—(Class A).

Charge to this account the cost of supplies used and expenses incurred for the benefit of the utility by its employees in the operation of its meter department.

In the charges to this account include the cost of candles, matches, ice, water, laundry, electricity for light, heat, and power, stationery, postage, and like items; also such expenses as train fares, carfares, hotel expenses, meals, and like necessary expenses incurred by the superintendents and other employees of the utility while engaged in removing, resetting, inspecting, and testing meters, and performing other services in the operation of its meter department.

398. DISTRIBUTION SYSTEM RENT—(Class A).

Charge to this account the amount of rent accrued during each accounting period on property rented by the utility from others for a short term for use in distributing natural gas and in which the utility makes no other investment except expenditures for repairs or changes for its own convenience.

If the utility leases such property for a long term and enjoys exclusive use thereof during the period of the lease it shall charge the rent that it pays thereon to "600. RENT FOR LEASE OF NATURAL GAS SYSTEM PROPERTIES" account.

399. OTHER DISTRIBUTION SYSTEM SUPPLIES AND EXPENSES—(Class A).

Charge to this account the cost, not provided for elsewhere, of supplies used and expenses incurred by the utility in the operation of its distribution system.

400. MAINTENANCE OF DISTRIBUTION SYSTEM STRUCTURES—(Classes A B and C).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to the structures of its distribution system.

MAINTENANCE OF DISTRIBUTION SYSTEM EQUIPMENT—(Class C).

MAINTENANCE OF DISTRIBUTION SYSTEM LINES—(Class B).

401. MAINTENANCE OF DISTRIBUTION LINE EQUIPMENT—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to its distribution lines.

In the charges to this account include the cost of repairs to pipe, collars, couplings, other fittings, gates, valves, and other equipment accessory to the distribution lines.

402. Changing Distribution Lines—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in changing the location of its distribution lines.

403. Maintenance of Service Line Equipment—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to the service lines of its distribution system.

In the charges to this account include the cost of repairs to pipe, fittings, curb boxes, and other equipment accessory to the service lines.

Maintenance of Meters and House Regulators—(Class B).

404. Maintenance of Meters—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to the meters of its distribution system.

In the charges to this account include the cost of adjusting, cleaning, and painting meters, repairing and replacing meter shelves and connections, inserting new parts, and performing other services necessary to keep the meters in operation.

405. Maintenance of House Regulators—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to the house regulators of its distribution system.

Maintenance of Other Distribution System Equipment—(Class B).

406. Maintenance of G s Receivers and District Regulators—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to gas receivers, district regulators, recording gauges, safety tanks, and other pressure controlling apparatus of its distribution system.

Exclude from this account the cost of repairs to house regulators.

407. Maintenance of Other Distribution Equipment—(Class A).

Charge to this account the cost, not provided for elsewhere, of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to other equipment of its distribution system.

E. UTILIZATION SYSTEM OPERATING EXPENSE ACCOUNTS.

Operating Labor—(Classes B and C).

408. Commercial Lighting System Labor—(Class A).

Charge to this account the cost of labor employed by the utility in the operation of its commercial lighting system.

In the charges to this account include the cost of the labor of those employed in cleaning, lighting, extinguishing, inspecting commercial lights and performing other services in the operation of the commercial lighting system.

409. Municipal Street Lighting System Labor—(Class A).

Charge to this account the cost of labor employed by the utility in the operation of its municipal street lighting system.

In the charges to this account include the cost of the labor of those employed in cleaning, lighting, and extinguishing street lights, inspecting and supervising the street lighting district, reporting on re-lights and discontinues, watching the hours of lighting and extinguishing, and performing other services in the operation of the municipal street lighting system.

Exclude from this account maintenance labor.

410. Private Street Lighting System Labor—(Class A).

Charge to this account the cost of labor employed by the utility in the operation of its private street lighting system.

In the charges to this account include the cost of the labor of those employed in cleaning, lighting, and extingushing street lights, inspecting and supervising the street lighting district, reporting on re-lights and discontinues, watching the hours of lighting and extinguishing, and performing other services in the operation of the private street lighting system.

Exclude from this account maintenance labor.

411. Consumers' Premises Labor—(Class A).

Charge to this account the cost of labor employed by the utility and furnished gratuitously to consumers for the purpose of maintaining the efficiency of their natural gas connections and appliances.

In the charges to this account include the cost of the labor of those employed in investigating complaints made by consumers, inspecting and testing their piping and fixtures, and performing like services on their premises.

Operating Supplies and Expenses—(Classes B and C).

412. Commercial Lighting System Supplies and Expenses—(Class A).

Charge to this account the cost of supplies used and expenses incurred by the utility in the operation of its commercial lighting system.

In the charges to this account include the cost of such items as burners, globes, reflectors, waste, etc., and such expenses as train fares, carfares, hotel expenses, meals and like necessary expenses incurred by employees of the utility in the operation of its commercial lighting system.

413. Municipal Street Lighting System Supplies And Expenses—(Class A).

Charge to this account the cost of supplies used and expenses incurred by the utility in the operation of its municipal street lighting system.

In the charges to this account include the cost of such items as burners, globes, waste, reflectors, etc., and such expenses as train fares, carfares, hotel expenses, meals, and like necessary expenses incurred by employees of the utility in the operation of its municipal street lighting system.

414. Private Street Lighting System Supplies and Expenses—(Class A).

Charge to this account the cost of supplies used and expenses incurred by the utility in the operation of its private street lighting system.

In the charges to this account include the cost of such items as burners, globes, reflectors, waste, etc., and such expenses as train fares, carfares, hotel expenses, meals, and like necessary expenses incurred by employees of the utility in the operation of its private street lighting system.

415. Consumers' Premises Supplies and Expenses—(Class A).

Charge to this account the cost of supplies used and expenses incurred by the utility in gratuitously maintaining the efficiency of the natural gas connections and appliances on the premises of its consumers.

In the charges to this account include the cost of supplies used and expenses incurred in investigating consumers' complaints, inspecting and testing their piping and fixtures, and performing like services on their premises.

Maintenance of Utilization System Equipment—(Classes B and C).

416. Maintenance of Commercial Lighting System—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to its commercial lighting system.

In the charges to this account include the cost of replacing globes, burners, mantles, removing and resetting commercial lamp fixtures, repairing lamp fixtures, and performing like services.

417. Maintenance of Municipal Street Lighting System—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to its municipal street lighting system.

In the charges to this account include the cost of cleaning street services, cutting off services, recaulking columns, straightening, removing, and resetting posts, refitting columns, painting, cartage, repaving over openings made by work in connection with the maintenance of the municipal street lighting system.

418. Maintenance of Private Street Lighting System—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to its private street lighting system.

In the charges to this account include the cost of cleaning street services, cutting off services, recaulking columns, straightening, removing, and resetting posts, refitting columns, painting, cartage, repaving over openings made by work in connection with the maintenance of the private street lighting system.

419. Maintenance of Other Utilization Equipment—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to its other utilization equipment.

In the charges to this account include the cost of repairs to gas engines and appliances and like equipment owned by the utility and installed on the premises of its consumers.

F. COMMERCIAL DEPARTMENT OPERATING EXPENSE ACCOUNTS.

420. Operating Labor—(Classes A B and C).

Charge to this account the cost of labor employed by the utility in the operation of its commercial department.

In the charges to this account include a proper proportion of the salaries of those officers and their assistants who are in charge of the utility's contract department; the salaries of those clerks that are assigned to give attention to bill questions, receive applications, etc., the pay of those employed in reading consumers' meters; the pay of the office manager and his assistants, bookkeepers, and clerks engaged in keeping accounts with consumers; the pay of collection office employees, collectors, cashiers, and others engaged in collecting consumers' accounts; and the cost of such labor as janitors, messengers, watchmen and others employed in the operation of the commercial department.

421. Operating Supplies and Expenses—(Classes A B and C).

Charge to this account the cost of supplies used and expenses incurred for the benefit of the utility by its employees in the operation of its commercial department.

In the charges to this account include the cost of stationery, printing, postage, miscellaneous office supplies, flash lights, meter reading sheets, binders and like supplies, clock service, directories, drinking water, ice, laundry, light, heat, telephone, and like expenses, and such expenses as meals, carfares, and like necessary expenses incurred by the employees of the utility engaged in its commercial department.

In the charges to this account include also the amount of rent paid for commercial department offices, etc., where the amount of such rent is not sufficient to warrant its being a deduction from gross income.

G. NEW BUSINESS DEPARTMENT OPERATING EXPENSE ACCOUNTS.

New Business Salaries and Commissions—(Classes B and C).

422. New Business Salaries—(Class A).

Charge to this account the salaries of those employees of the utility that are engaged in the operation of its new business department.

In the charges to this account include the salaries of the new business manager, his assistants, and clerks; the salaries of canvassers, solicitors, engineers who prepare estimates and give advice in connection with the solicitation of new business; the salaries of the advertising manager, his assistants, clerks, and demonstrators, and all other salaries paid to employees engaged in the new business department.

423. New Business Commissions—(Class A).

Charge to this account the amount of commissions paid by the utility in order to promote its natural gas business.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the name of each person to whom a commission is paid and the amount paid to him.

424. New Business Supplies and Expenses—(Classes A B and C).

Charge to this account the cost of supplies used and expenses incurred for the benefit of the utility by its employees in the operation of its new business department.

In the charges to this account include the cost of stationery, printing, postage, miscellaneous office supplies, newspaper advertisements, printed circulars, posters, bulletins, booklets, and such expenses as train fares, carfares, hotel expenses, meals, and like necessary expenses incurred by the employees of the utility while engaged in promoting its natural gas business.

In the charges to this account include also the amount of rent paid for new business department offices, etc., where the amount of such rent is not sufficient to warrant its being a deduction from gross income.

425. New Business Piping Labor—(Classes A B and C).

Charge to this account the cost of labor employed by the utility to promote its natural gas business by piping gratuitously the premises of consumers.

426. New Business Piping Supplies and Expenses—(Classes A B and C).

Charge to this account the cost of supplies used and expenses incurred by the utility in piping gratuitously the premises of its consumers for the purpose of promoting its natural gas business.

In the charges to this account include the cost of pipe, joints, brackets, fixtures, and all such supplies and expenses incurred in connection with the gratuitous installation thereof for the purpose of promoting the utility's natural gas business.

H. GENERAL ADMINISTRATIVE EXPENSE ACCOUNTS.

General Administrative Salaries—(Classes B and C).

427. Salaries of General Officers—(Class A).

Charge to this account the salaries of those officers employed by the utility whose jurisdiction extends over its entire business and whose services are not chargeable to any particular department.

In the charges to this account include the salaries of the president, vice-president, general manager, secretary, treasurer, comptroller, general auditor, etc.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the amount of each officer's salary.

428. Salaries of General Office Clerks—(Class A).

Charge to this account the salaries of those clerks who are employed by the utility in its general office and whose services are not directly chargeable to any particular department.

In the charges to this account include the salaries of the general office auditors, bookkeepers, cashiers, paymasters, stenographers and all other clerks connected with the general office.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the amount of each clerk's salary.

General Administrative Supplies and Expenses—(Class C).

General Administrative Supplies—(Class B).

429. General Office Stationery and Printing—(Class A).

Charge to this account the cost of stationery and printing used in the general office, except that which is used on work which is chargeable to particular departments.

In the charges to this account include the cost of blank books, letter paper, envelopes, printed forms, postage, carbon paper, blotters, and like items.

430. Other General Office Supplies—(Class A).

Charge to this account the cost of office supplies used in the general office, except those which are used on work which is chargeable to particular departments.

In the charges to this account include the cost of ink, inkstands, pens, penholders, pencils, paper clips and fasteners, pins, typewriter ribbons, waste baskets, and like items

Operating Expense Accounts.

General Officers' and General Office Clerks' Expenses—(Class B).

431. General Officers' Expenses—(Class A).

Charge to this account the amount of expenses incurred for the benefit of the utility by its officers whose jurisdiction extends over the entire business and whose services are not chargeable to any particular department.

In the charges to this account include traveling, hotel, and like necessary expenses incurred by the president, vice-presidents, general manager, secretary, treasurer, comptroller, general auditor, etc., while they are engaged in performing services for the utility.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the amount and nature of each officers' expenses.

432. General Office Clerks' Expenses—(Class A).

Charge to this account all expenses incurred for the benefit of the utility by clerks who are employed in its general office and whose services are not directly chargeable to any particular department.

In the charges to this account include traveling, hotel, and like necessary expenses incurred by the general office auditors, bookkeepers, cashiers, paymasters, stenographers, and other clerks connected with the general office while they are engaged in performing services for the utility.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the amount and nature of each clerk's expenses.

Other General Administrative Expenses—(Class B).

433. General Law Expenses—(Class A).

Charge to this account all general law expenses incurred by the utility.

In the charges to this account include the pay and expenses of counsel, solicitors and attorneys, their clerks and attendants, and the expenses of their offices if they are employed exclusively by the utility; fees paid to legal advisers not regular employees of the utility; cost of printing briefs, legal forms, testimony, reports, etc.; payments to arbitrators of disputed questions; payments of special fees, notarial fees, and witness fees not elsewhere provided for; expenses connected with taking depositions, court costs, and like expenses.

Exclude from this account all expenses incurred in connection with the defense and settlement of damage claims.

If the utility has a law department, it shall so keep the records supporting the entries to this account that it can furnish separate information as to the salaries, the supplies, and expenses thereof charged to this account.

434. General Office Rent—(Class A).

Charge to this account the amount of rent accrued during each accounting period on property of others used by the utility for general office purposes. Charge also to this account the taxes borne by the utility on such property.

Operating Expense Accounts.

435. Other General Office Expenses—(Class A).

Charge to this account expenses not provided for elsewhere incurred for the benefit of the utility in connection with its general office.

In the charges to this account include the cost of light, heat, telephone, telegrams, messengers, janitor services, newspapers, periodicals, ice, drinking water, laundry, and like expenses.

436. Maintenance of General Office Structures—(Classes A B and C).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to its general office buildings.

437. Maintenance of General Office Equipment—(Classes A B and C).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to its general office equipment.

In the charges to this account include repairs to desks, chairs, tables, filing cases, book cases and racks, movable safes, typewriters, dding and calculating machines, addressographs, drafting tables and instruments, engineering instruments and other appliances used in connection with the general offices.

I. OTHER GENERAL EXPENSE ACCOUNTS.

General Labor—(Class C).

438. Store Labor—(Classes A and B).

Charge to this account the cost of labor employed by the utility in the operation of its store department.

In the charges to this account include the cost of the labor of storekeepers, clerks, and employees engaged in unloading, storing, and otherwise handling materials and supplies in the storerooms and stock yards, collecting scrap material, etc.,

Exclude from this account maintenance labor.

Stable and Garage Labor—(Class B).

439. Stable Labor—(Class A).

Charge to this account the cost of labor employed by the utility in the operation of its stables.

In the charges to this account include the cost of the labor of hostlers, drivers, teamsters, and others employed in the utility's stables.

Exclude from this account maintenance labor.

440. Garage Labor—(Class A).

Charge to this account the cost of labor employed by the utility in the operation of its garages.

In the charges to this account include the cost of the labor of chauffeurs, their attendants, and other labor employed in the utility's garages.

Exclude from this account maintenance labor.

OPERATING EXPENSE ACCOUNTS.

SHOP AND LABORATORY LABOR—(Class B).

441. SHOP LABOR—(Class A).

Charge to this account the cost of labor employed by the utility in the operation of its shops.

In the charges to this account include the cost of the labor of the superintendent, timekeepers, machinists, blacksmiths, carpenters, and other shop employees.

Exclude from this account maintenance labor.

442. LABORATORY LABOR—(Class A).

Charge to this account the cost of labor employed by the utility in the operation of its laboratories.

In the charges to this account include the cost of the labor of chemists and all other laboratory employees.

Exclude from this account maintenance labor.

443. TELEPHONE AND TELEGRAPH SYSTEM LABOR—(Classes A and B).

Charge to this account the cost of labor employed by the utility in the operation of its general telephone and telegraph system properties.

In the charges to this account include the cost of the labor of those employed in patrolling, inspecting, and testing the telephone and telegraph lines and equipment; locating and clearing telephone and telegraph line trouble; protecting telephone and telegraph lines from fires, floods, etc.; and performing other services in the operation of the telephone and telegraph system.

Exclude from this account maintenance labor.

GENERAL SUPPLIES AND EXPENSES—(Class C).

444. STORE SUPPLIES AND EXPENSES—(Classes A and B).

Charge to this account the cost of supplies used and expenses incurred by the utility in the operation of its store department.

In the charges to this account include the cost of stationery, printed forms, stock record books, and like supplies; the cost of lighting and heating storerooms, water for fire protection and general use, rent paid for storerooms and storage yards; also traveling and other necessary expenses incurred by employees of the utility while engaged in performing services in the operation of the store department.

STABLE AND GARAGE SUPPLIES AND EXPENSES—(Class B).

445. STABLE SUPPLIES AND EXPENSES—(Class A).

Charge to this account the cost of supplies used and expenses incurred by the utility in the operation of its stables.

In the charges to this account include the cost of water, feed, bedding, blankets, axle grease and other supplies; also the cost of shoeing horses and other incidental expenses.

OPERATING EXPENSE ACCOUNTS.

446. GARAGE SUPPLIES AND EXPENSES—(Class A).

Charge to this account the cost of supplies used and expenses incurred by the utility in the operation of its garages.

In the charges to this account include the cost of gasoline, kerosene, engine oil, and other automobile supplies; the cost of lighting and heating the garage; water, telephone, etc., and all necessary expenses incurred by the employees of the utility while engaged in the operation of the garages.

SHOP AND LABORATORY SUPPLIES AND EXPENSES—(Class B).

447. SHOP SUPPLIES AND EXPENSES—(Class A).

Charge to this account the cost of supplies used and expenses incurred by the utility in the operation of its shops.

In the charges to this account include the cost of power, fuel, oil, smithing and other supplies; the cost of lighting and heating the shops, water for general use and fire protection, etc., also all necessary expenses incurred by the employees of the utility while engaged in the operation of the shops.

448. LABORATORY SUPPLIES AND EXPENSES—(Class A).

Charge to this account the cost of supplies used and expenses incurred by the utility in the operation of its laboratories.

In the charges to this account include the cost of chemicals and other supplies; also the cost of light, heat, water, soap, towels, and like items.

449. TELEPHONE AND TELEGRAPH SYSTEM SUPPLIES AND EXPENSES—(Classes A and B).

Charge to this account the cost of supplies used and expenses incurred for the benefit of the utility by its employees in the operation of its general telephone and telegraph system.

In the charges to this account include the cost of supplies used and such expenses as train fares, carfares, hotel expenses, meals and like necessary expenses of the superintendents and other employees of the utility while engaged in patrolling, inspecting, and testing its telephone and telegraph lines and equipment; locating and clearing telephone and telegraph line trouble; protecting its telephone and telegraph lines from fires, floods, etc.; performing all other services in the operation of its telephone system.

450. NATURAL GAS FRANCHISE REQUIREMENTS—(Classes A B and C).

Charge to this account at schedule rates the natural gas supplied free by the utility to municipalities in compliance with the requirements of its franchise; also the cost of materials and supplies used and the amount of expenses incurred by it in paving and performing other service in compliance with such requirements and for which it is not reimbursed.

Credit to "461. FREE MUNICIPAL NATURAL GAS SERVICE" account the amounts charged to this account for natural gas supplied free to municipalities.

OPERATING EXPENSE ACCOUNTS.

451. TAXES—(Classes A B and C).

Charge to this account and credit to "176. TAXES ACCRUED" account the amount of taxes payable by the utility that have accrued upon its property used in its natural gas operations, and the amount of all other taxes that have accrued and are chargeable against its operating revenues.

452. UNCOLLECTIBLE CONSUMERS' ACCOUNTS—(Classes A B and C).

Charge to this account and credit to "182. UNCOLLECTIBLE CONSUMERS' ACCOUNTS RESERVE" account the amount which, it is estimated, will, through gradual accumulation, be sufficient to provide for all accounts due from consumers, which prove impossible of collection because of the removal of such consumers beyond the jurisdiction of the State, the operation of the statute of limitations, discharge in bankruptcy, or for any other good and sufficient reason.

If the utility does not carry a reserve, charge directly to this account and credit to "117. ACCOUNTS RECEIVABLE FROM CONSUMERS" account the amounts of those consumers accounts, which were charged to "117. ACCOUNTS RECEIVABLE FROM CONSUMERS" account during the current year and which proved to be uncollectible. Charge those accounts which were charged to "117. ACCOUNTS RECEIVABLE FROM CONSUMERS" account prior to the current year and which proved to be uncollectible during the current year to "712. UNCOLLECTIBLE CONSUMERS' ACCOUNTS—OLD YEAR" account.

OTHER GENERAL EXPENSES—(Class C).

453. PUBLIC SERVICE COMMISSION EXPENSE—(Classes A and B).

Charge to this account expenses incurred by the utility in its transactions with The Public Service Commission.

In the charges to this account include fees and retainers and expenses of counsel, solicitors, attorneys, clerks, attendants, witnesses, and others whose services are secured for the defense or prosecution of those petitions presented to The Public Service Commission that affect the utility; the pay, traveling and other expenses of those specially employed or assigned to ascertain the value of property owned or used by the utility; the cost of stationery and printing and engineering supplies consumed; and other necessary expenses.

Exclude from this account and charge to the appropriate specific operating expense account those expenses, such as improvement of service, additional inspection, etc., which are made necessary by the rules, regulations, or orders of The Public Service Commission.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the amount and nature of each charge to this account.

INSURANCE AND PENSION EXPENSE—(Class B).

454. INJURIES AND DAMAGES—(Class A).

Charge to this account all expenses incurred by the utility for injuries to its employees and other persons and for damages to the property of others when such injuries and damages are caused by its natural gas operations.

In the charges to this account include the amount of awards of courts or other lawful authority, such as workmen's compensation boards, etc.; of all allowances by the utility itself for damages to or destruction of property other than that owned by the utility, and for injuries and deaths of employees and other persons. In addition include such items of expense as contributions to hospitals, transportation of injured persons, fees of physicians and surgeons, or, if regularly employed by the utility, a proportion of their salaries and expenses, nurses' and hospital charges; cost of medical and surgical supplies, expenditures for funeral and burial services, the salaries of the utility's claim agents and adjusters and their assistants while engaged in settling damage, injury, or death claims which are caused by its natural gas operations, the compensation of the solicitor or counsel while engaged in attending to law suits which develop from such claims and all court costs connected therewith paid by the utility.

If the utility carries a reserve for injuries and damages, charge to this account and credit to "181. Injuries and Damages Reserve" account the amount which it is estimated, will, through gradual accumulation, be sufficient to provide for injuries and damages. When payments are made for such injuries and damages, charge the amounts of them to "181. Injuries and Damages Reserve" account.

455. Other Insurance—(Class A).

Charge to this account all other insurance expenses incurred by the utility.

In the charges to this account include premiums paid to insurance companies for fire, casualty, boiler, fidelity, burglar, and other insurance; and, in case the utility carries its own insurance risks, the salaries of those employed in its insurance department and all other expenses connected therewith.

If the utility carries all or part of its own insurance risks, charge to this account and credit to "180. Insurance Reserve" account that amount which, it is estimated, will, through gradual accumulation, be sufficient to provide for all insurable losses to the property of the utility.

The credit to "180. Insurance Reserve" account shall not include any provision for the expenses of the insurance department.

If the utility carries its own insurance risks it shall so keep the records supporting the entries to this account that it can furnish separate information as to the amount of salaries, supplies, and expenses charged hereto.

456. Pensions—(Class A).

Charge to this account the amounts of pensions paid to retired employees of the utility, or their heirs, and the salaries and other expenses of those employed in its pension department.

The records supporting the entries to this account shall be so kept that the utility can furnish separate information as to the amount of salaries, supplies, and expenses charged hereto.

457. Other General Expense—(Classes A and B).

Charge to this account all general expenses not provided for elsewhere. In the charges to this account include the cost of publishing annual

reports, advertising notices of stockholders' meetings, dividend notices, other corporate and financial notices; association dues, subscriptions, fees of directors, fees of transfer agents, fees of registrars of stock, fees of fiscal agents, and like expenses.

General Adjustments—(Class C).

458. Inventory Adjustments—(Classes A and B).

Charge or credit to this account, when an actual inventory of materials and supplies is taken, the shortages or overages disclosed by such inventory as compared with the balance shown in "121. Materials and Supplies" account at the date of such inventory.

If materials and supplies have been used in construction as well as in operation, a proper proportion of such shortages or overages may be debited or credited to "267. Other Expenditures During Construction" account.

Inventories of materials and supplies shall be taken at least annually.

459. Discount on Materials and Supplies—(Classes A and B).

Credit to this account all discounts which are received through prompt payments for materials and supplies consumed in operations and which cannot be applied directly to the invoice cost of such materials and supplies.

460. Utility's Natural Gas Used in Operations—(Classes A and B).

Credit to this account the value, determined by schedule rates, of the natural gas that is produced by the utility and is consumed in its operations.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the amount charged for natural gas used in each functional operation, such as production, transmission, etc.

461. Free Municipal Natural Gas Service—(Classes A and B).

Credit to this account the amounts charged to "450. Natural Gas Franchise Requirements" account for natural gas supplied free by the utility to municipalities under the terms of its franchises.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the value and quantity of natural gas supplied free to each municipality for each use, such as street lighting, etc.

Maintenance of General Structures—(Classes B and C).

462. Maintenance of General Store Structures—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to its general store buildings.

OPERATING EXPENSE ACCOUNTS.

463. MAINTENANCE OF GENERAL STABLE STRUCTURES—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to its stables and buildings appurtenant to them.

464. MAINTENANCE OF GENERAL GARAGE STRUCTURES—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to its garages and buildings appurtenant to them.

465. MAINTENANCE OF GENERAL SHOP STRUCTURES—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to its general shop buildings.

466. MAINTENANCE OF GENERAL LABORATORY STRUCTURES—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to its buildings used for laboratory purposes.

467. MAINTENANCE OF OTHER GENERAL STRUCTURES—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to its general structures not provided for in any of the preceding maintenance accounts.

MAINTENANCE OF GENERAL EQUIPMENT—(Classes B and C).

468. MAINTENANCE OF GENERAL STORE EQUIPMENT—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to its general store equipment.

In the charges to this account include the cost of repairs to movable counters and shelves, carts, barrows, trucks, derricks, cranes, hoists, other loading and unloading machinery, and other apparatus and appliances used in handling materials and supplies.

469. MAINTENANCE OF GENERAL STABLE EQUIPMENT—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to its general stable equipment.

In the charges to this account include the cost of repairs to harness, wagons, apparatus for shoeing horses and repairing harness and vehicles, and all appliances used in the stables.

OPERATING EXPENSE ACCOUNTS.

470. MAINTENANCE OF GENERAL GARAGE EQUIPMENT—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to its general garage equipment.

In the charges to this account include the cost of repairs to automobiles, bicycles, motorcycles, and other appliances used in connection with the garages.

471. MAINTENANCE OF GENERAL SHOP EQUIPMENT—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to its general shop equipment.

In the charges to this account include the cost of repairs to furnaces, boilers, engines, electric generators, other power apparatus provided for operating general shop machinery, machiue tools, cranes, hoists, shafting, belting, smithing equipment other than that used for shoeing horses and repairing vehicles, and other appliances used in connection with the general shops.

472. MAINTENANCE OF GENERAL LABORATORY EQUIPMENT—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to its general laboratory equipment.

473. MAINTENANCE OF GENERAL TELEPHONE AND TELEGRAPH SYSTEM—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses iucurred by the utility in making repairs to its telephone and telegraph system.

In the charges to this account include the cost of repairs to poles, cables, booths, instruments, and other equipment permanently assigned to the telephone and telegraph lines.

474. MAINTENANCE OF OTHER GENERAL EQUIPMENT—(Class A).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility in making repairs to that part of its general equipment that is not provided for in any of the preceding general maintenance accounts.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to each kind of equipment the cost of repairing which is charged to this account.

475. DEPRECIATION—(Classes A B and C).

Charge to this account and credit to "183. DEPRECIATION OF STRUCTURES AND EQUIPMENT RESERVE" account that amount which it is estimated will, through regular application over the life of the structures and equipment of the utility's natural gas system, provide an adequate reserve to cover the depreciation accrued upon such structures and equipment.

OPERATING EXPENSE ACCOUNTS.

476. EXTRAORDINARY DEPRECIATION—(Classes A B and C).

Charge to this account and credit, as it applies, either to "131. PROPERTY ABANDONED", "132. EXTRAORDINARY CASUALTIES" or "133. NON PRODUCTIVE WELL DRILLING EXPENSE" account that amount which will, through regular application, amortize those losses suffered by the utility either from the abandonment of its property or from extraordinary casualties.

The utility shall not amortize any losses through this account until it obtains the permission of The Public Service Commission.

477. AMORTIZATION OF FRANCHISES, PATENT RIGHTS AND LICENSES—(Classes A B and C).

Charge to this account and credit to "184. AMORTIZATION OF OTHER CAPITAL RESERVE" account that amount which, through regular application, will provide at the expiration of the lives of the utility's limited franchises, patent rights, and licenses, a reserve equal to their original money cost.

478. AMORTIZATION OF NATURAL GAS RIGHTS AND GAS LEASES—(Classes A B and C).

Charge to this account and credit to "184. AMORTIZATION OF OTHER CAPITAL RESERVE" account that amount which, through regular application, will provide at the expiration of the utility's natural gas rights and gas leases, a reserve equal to their original money cost.

479. JOINT OPERATING EXPENSES TRANSFERRED—(Classes A B and C).

Credit to this account that portion, which is chargeable to others, of the expenses incurred by the utility in operating any property used in natural gas service for the joint benefit of itself and others under an arrangement for apportioning such expenses on the basis of the relative amounts of benefit to the several participants.

The amount credited to this account shall not include any allowance for profit or return upon the value of such property.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the name of each party with whom it enters into such an agreement; whether or not it controls, is controlled by or is in any way affiliated with each party; the terms of each agreement; the expenses incurred thereunder as they apply to each functional division of operating expenses in the detail provided in this classification, the portion thereof charged to each party, and the basis of the charge.

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PRESCRIBED FOR CLASSES A B AND C NATURAL GAS UTILITIES.

III. NON OPERATING REVENUE ACCOUNTS.

Account Number.	Name of Account.	Class.			Page.
500.	Merchandise Sales	A	B	C	108
501.	Jobbing Work Revenue	A	B	C	108
	Rent Revenues			C	108
502.	Rents from Lease of Natural Gas System Properties	A	B		108
	Other Rent Revenues		B		108
503.	Rents from Lease of Other Properties	A			108
504.	Joint Facility Rent	A			109
	Interest Revenues		B	C	109
505.	Interest from Investment Securities	A			109
506.	Interest from Other Sources	A			109
507.	Dividends on Investment Securities	A	B	C	109
	Sinking and Other Reserve Fund Revenues			C	110
508.	Sinking Fund Revenues	A	B		110
509.	Insurance and Other Reserve Fund Revenues	A	B		110
510.	Profit from Operations of Others	A	B	C	110
511.	Sub Utility Revenues	A	B	C	111
512.	Oil Revenue	A	B	C	111
513.	Gasoline Revenue	A	B	C	111
514.	Other Non Operating Revenues	A	B	C	111

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PRESCRIBED FOR "CLASS B" NATURAL GAS UTILITIES.

III. NON OPERATING REVENUE ACCOUNTS.

Account Number.	Name of Account.	Page.
500.	Merchandise Sales	108
501.	Jobbing Work Revenue	108
502.	Rents from Lease of Natural Gas System Properties	108
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505–506.	Interest Revenues	109
507.	Dividends on Investment Securities	109
508.	Sinking Fund Revenues	110
509.	Insurance and Other Reserve Fund Revenues	110
510.	Profit from Operations of Others	110
511.	Sub Utility Revenues	111
512.	Oil Revenue	111
513.	Gasoline Revenue	111
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PRESCRIBED FOR "CLASS C" NATURAL GAS UTILITIES.

III. NON OPERATING REVENUE ACCOUNTS.

Account Number.	Name of Account.	Page.
500.	Merchandise Sales	108
501.	Jobbing Work Revenue	108
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510.	Profit from Operations of Others	110
511.	Sub Utility Revenues	111
512.	Oil Revenue	111
513.	Gasoline Revenue	111
514.	Other Non Operating Revenues	111

TEXT EXPLANATORY OF INCOME ACCOUNTS.

III. NON OPERATING REVENUE ACCOUNTS.

Credit to the appropriate numbered accounts listed under this caption or to the appropriate subcaptions under which such numbered accounts are listed the amounts earned by the utility from sources other than the operation of its natural gas system.

These subcaptions as well as the numbered accounts listed under them are account titles. The letter, or letters, after each subcaption or numbered account indicates the class of the utility that is required to keep the account title prefixed thereto.

500. Merchandise Sales—(Classes A B and C).

Credit to this account the amount earned by the utility from its sales of such natural gas appliances as lamps, irons, stoves, heaters, etc.

501. Jobbing Work Revenue—(Classes A B and C).

Credit to this account and charge to "119. Other Accounts Receivable" account the amount earned by the utility from such services performed for its consumers, or others, as piping premises, connecting and disconnecting house piping and natural gas fixtures, relocating piping and gas fitting and fixture work.

Rent Revenues—(Class C).

502. Rents from Lease of Natural Gas System Properties—(Classes A and B).

Credit to this account the rental earned by the utility from land, structures, or equipment of the natural gas system which is owned by the utility or held by it under lease and which in turn is leased by it to others and is, during the period of such lease, subject to their exclusive control.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the purpose for which each item of natural gas system property is leased by the utility to others, the name of the lessees, the rental consideration, the duration of the lease, whether or not the utility controls, is controlled by, or is in any way affiliated with the lessees.

Other Rent Revenues—(Class B).

503. Rents from Lease of Other Properties—(Class A).

Credit to this account the rental earned by the utility from land, structures, or equipment not used in the natural gas system, which is owned by the utility or held by it under lease and which in turn is rented by the utility to others under lease or otherwise.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the purpose for which each item of property is rented to others, to whom it is rented, the period for which it is rented, and the consideration.

NON OPERATING REVENUE ACCOUNTS.

504. JOINT FACILITY RENT—(Class A).

Credit to this account the amount of joint facility rent which the utility receives from others on its natural gas system properties maintained and operated by it for the joint benefit of itself and others under a joint agreement for sharing the expenses of operating such property on a basis of the relative amounts of benefits received by the participants.

By joint facility rent on such property is meant the amount of rent, profit, or return thereon which the utility receives from others in addition to their portion of the expenses of operating such properties.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the name of each party with whom it enters into such an agreement; whether or not it controls, is controlled by, or is in any was affiliated with each party; the terms of each agreement; the amount of rent received thereon and the calculation thereof.

INTEREST REVENUES—(Classes B and C).

505. INTEREST FROM INVESTMENT SECURITIES—(Class A).

Credit to this account the interest earned on all interest bearing securities owned by the utility and carried in "104. INVESTMENT SECURITIES" account.

Interest is earned either when it has been actually collected or when it has accrued and the collection of it is reasonably assured either by past experience, guaranty, or otherwise.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the name of each issuer of interest bearing securities held by the utility; whether or not such issuer controls, is controlled by, or is in any way affiliated with the utility; the dates of issue and maturity of such securities; the par value thereof, rate of interest, and the amount of interest earned on the securities of each issue.

506. INTEREST FROM OTHER SOURCES—(Class A).

Credit to this account the amount of interest earned on all interest bearing assets of the utility except those provided for in "104. INVESTMENT SECURITIES" account.

Interest is earned either when it has been actually collected or when it has accrued and the collection of it is reasonably assured either by past experience, guaranty, or otherwise.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the amount of interest bearing debt, the interest on which is applicable to this account, owed to the utility; the name of each debtor and the age of his debt; the rate and amount of interest earned on such debt; whether or not such debtor controls, is controlled by, or is in any way affiliated with the utility.

507. DIVIDENDS ON INVESTMENT SECURITIES—(Classes A B and C).

Credit to this account at their cash value all dividends received upon stocks held by the utility and carried in "104. INVESTMENT SECURITIES" account.

NON OPERATING REVENUE ACCOUNTS.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the name of each issuer of stock held by the utility upon which dividends were received; whether or not such issuer controls, is controlled by, or is in any way affiliated with the utility; the par value of such stock; the rate and the amount of dividend received thereon; the date it was declared and when it was received.

SINKING AND OTHER RESERVE FUND REVENUES—(Class C).

508. SINKING FUND REVENUES—(Classes A and B).

Credit to this account the amount earned on cash securities, or other assets carried by the utility in "110. SINKING FUND ASSETS" account.

Exclude from this account any interest or dividends on securities, issued or assumed by the utility and held in "110. SINKING FUND ASSETS" account.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to each kind of assets, from which revenue is derived, carried in "110. SINKING FUND ASSETS" account; the face or par value of each kind of assets and the rate and amount of interest or dividends thereon; the name of each issuer of securities carried among such assets; whether or not such issuer controls, is controlled by, or is in any way affiliated with the utility.

509. INSURANCE AND OTHER RESERVE FUND REVENUES—(Classes A and B).

Credit to this account the amount earned on cash, securities, or other assets carried by the utility in "111. INSURANCE AND OTHER RESERVE FUND ASSETS" account.

Exclude from this account any interest or dividends on securities issued or assumed by the utility and held in "111. INSURANCE AND OTHER RESERVE FUND ASSETS" account.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to each kind of asset, from which revenue is derived, carried in "111. INSURANCE AND OTHER RESERVE FUND ASSETS" account; the face or par value of each kind of asset, and the rate and amount of interest or dividends thereon; the name of each issuer of securities carried among such assets; whether or not such issuer controls, is controlled by, or is in any way affiliated with the utility.

510. PROFIT FROM OPERATIONS OF OTHERS—(Classes A B and C).

Credit to this account that portion of the profits made by others in the operations of their properties to which the utility is entitled by contractual agreement.

Exclude from this account dividends or other returns upon securities and interest upon construction advances and other loans.

The records supporting the entries to this account shall be so kept that the utility can furnish for each contract information as to the name of each party with whom the utility enters into such contract; the nature of his operations and a description of and the location of the property operated by him; the total amount of profits made in his operations and the portion thereof to which the utility is entitled.

NON OPERATING REVENUE ACCOUNTS.

511. SUB UTILITY REVENUES—(Classes A B and C).

Credit to this account the amount received by the utility from the operation of that portion of its property that is used in public services other than natural gas.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the amount of revenue received from the operations of each sub utility.

512. OIL REVENUE—(Classes A B and C).

Credit to this account the amount earned by the utility from its sales of oil.

513. GASOLINE REVENUE—(Classes A B and C).

Credit to this account the amount earned by the utility from its sales of gasoline.

514. OTHER NON OPERATING REVENUES—(Classes A B and C).

Credit to this account the amounts not provided for elsewhere, earned by the utility from non operating sources.

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PRESCRIBED FOR CLASSES A B AND C NATURAL GAS UTILITIES.

IV. NON OPERATING EXPENSE ACCOUNTS.

Account Number.	Name of Account.	Class.	Page.
550.	Merchandise Sales Expense	A B C	115
551.	Jobbing Work Expense	A B C	115
	Rent Expense	C	115
552.	Lease of Natural Gas System Properties Expense	A B	115
553.	Lease of Other Properties Expense	A B	115
554.	Interest Expense	A B C	115
555.	Dividend Expense	A B C	116
556.	Expense of Procuring Profits from Operations of Others	A B C	116
557.	Sub Utility Expenses	A B C	116
558.	Non Operating Taxes	A B C	116
559.	Uncollectible Non Operating Revenues	A B C	116
560.	Oil Expense	A B C	117
561.	Gasoline Expense	A B C	117
562.	Other Non Operating Expense	A B C	117

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PRESCRIBED FOR "CLASS B" NATURAL GAS UTILITIES.

IV. NON OPERATING EXPENSE ACCOUNTS.

Account Number.	Name of Account.	Page.
550.	Merchandise Sales Expense	115
551.	Jobbing Work Expense	115
552.	Lease of Natural Gas System Properties Expense	115
553.	Lease of Other Properties Expense	115
554.	Interest Expense	115
555.	Dividend Expense	116
556.	Expense of Procuring Profits from Operations of Others	116
557.	Sub Utility Expenses	116
558.	Non Operating Taxes	116
559.	Uncollectible Non Operating Revenues	116
560.	Oil Expense	117
561.	Gasoline Expense	117
562.	Other Non Operating Expense	117

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PRESCRIBED FOR "CLASS C" NATURAL GAS UTILITIES.

IV. NON OPERATING EXPENSE ACCOUNTS.

Account Number.	Name of Account.	Page.
550.	Merchandise Sales Expense	115
551.	Jobbing Work Expense	115
552–553.	Rent Expense	115
554.	Interest Expense	115
555.	Dividend Expense	116
556.	Expense of Procuring Profits from Operations of Others	116
557.	Sub Utility Expenses	116
558.	Non Operating Taxes	116
559.	Uncollectible Non Operating Revenues	116
560.	Oil Expense	117
561.	Gasoline Expense	117
562.	Other Non Operating Expense	117

TEXT EXPLANATORY OF INCOME ACCOUNTS.

IV. NON OPERATING EXPENSE ACCOUNTS.

Charge to the appropriate numbered accounts listed under this caption or to the appropriate subcaptions under which such numbered accounts are listed, the amounts of non operating expenses incurred by the utility.

These subcaptions as well as the numbered accounts listed under them are account titles. The letter, or letters, after each subcaption or numbered account indicates the class of the utility that is required to keep the account title prefixed thereto.

550. MERCHANDISE SALES EXPENSE—(Classes A B and C).

Charge to this account the cost to the utility of such natural gas appliances sold by it as lamps, irons, stoves, heaters, etc., also all expenses incurred by it in selling such appliances.

551. JOBBING WORK EXPENSE—(Classes A B and C).

Charge to this account the cost of labor employed, materials and supplies consumed, and expenses incurred by the utility on jobbing work which it does for its consumers and others and for which it charges them.

In the charges to this account include the cost of such work as piping premises, connecting and disconnecting house piping and natural gas fixtures and performing like services.

RENT EXPENSE—(Class C).

552. LEASE OF NATURAL GAS SYSTEM PROPERTIES EXPENSE—(Classes A and B).

Charge to this account all expenses incurred by the utility in connection with its natural gas system properties leased to others.

In the charges to this account include commissions and fees; the cost of advertising and other expense of procuring tenants, drawing contracts and leases, collecting or enforcing payment of rent, ousting tenants, repairs borne by the utility, and all other necessary expenses except taxes.

553. LEASE OF OTHER PROPERTIES EXPENSE—(Classes A and B).

Charge to this account all expenses incurred by the utility in connection with its properties, other than those used in the natural gas system, leased to others.

In the charges to this account include commissions and fees; cost of advertising and other expenses of procuring tenants, drawing contracts and leases, collecting or enforcing payment of rent, ousting tenants, repairs borne by the utility, and all other necessary expenses except taxes.

554. INTEREST EXPENSE—(Classes A B and C).

Charge to this account all expenses incurred by the utility in procuring interest due on its investment securities, short term notes, deposits, and all other interest bearing assets except those carried in sinking and other reserve funds.

NON OPERATING EXPENSE ACCOUNTS.

In the charges to this account include the cost of collecting interest, investigating delay in and enforcing the payment of interest, and all other expenses chargeable against the interest revenue of the utility except taxes.

555. DIVIDEND EXPENSE—(Classes A B and C).

Charge to this account all expenses incurred by the utility in procuring dividends on the stocks of other corporations owned by it.

In the charges to this account include the cost of investigating the affairs of such corporations either for the purpose of detecting mismanagement, or inducing the declaration of dividends, or enforcing payment of dividends when declared; and all other necessary expenses except taxes assessed against such dividends.

556. EXPENSE OF PROCURING PROFITS FROM OPERATIONS OF OTHERS—(Classes A B and C).

Charge to this account all expenses incurred by the utility in procuring profits from the operations of others.

In the charges to this account include the cost of negotiating contracts which entitle the utility to share in the profits from other's operations, modifying or cancelling such contracts, collecting the utility's portion of such profits, and all other necessary expenses incurred in acquiring these profits.

557. SUB UTILITY EXPENSES—(Classes A B and C).

Charge to this account all expenses incurred by the utility in the operation of that portion of its property that is used in public services other than natural gas.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the amount of expenses incurred in the operation of each sub utility.

558. NON OPERATING TAXES—(Classes A B and C).

Charge to this account and credit to "176. TAXES ACCRUED" account the amount of taxes payable by the utility that have accrued upon its property not used in the conduct of its natural gas operations, and the amount of all other taxes that have accrued and are chargeable against its non operating revenues.

Exclude from this account and charge to the appropriate tax accounts included in "557. SUB UTILITY EXPENSES" account, those taxes that are applicable to sub utility operations.

Exclude also from this account and charge either to "560. OIL EXPENSE" account or "561. GASOLINE EXPENSE" account, those taxes that are applicable to the utility's oil and gasoline properties.

559. UNCOLLECTIBLE NON OPERATING REVENUES—(Classes A B and C).

Charge to this account and credit to the asset account, to which it was previously charged, the amount of any revenue that has been credited to any of the non operating revenue accounts during the current year and has proved to be uncollectible.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the name of each debtor whose uncollectible account has been charged to this account; the reason and authority for making each charge to this account; the nature, age, and amount of each account chargeable hereto.

560. OIL EXPENSE—(Classes A B and C).

Charge to this account all expenses incurred by the utility in the production of oil.

561. GASOLINE EXPENSE—(Classes A B and C).

Charge to this account all expenses incurred by the utility in the production of gasoline.

562. OTHER NON OPERATING EXPENSE—(Classes A B and C).

Charge to this account all non operating expenses which are not provided for in any of the other non operating expense accounts.

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PRESCRIBED FOR CLASSES A B AND C NATURAL GAS UTILITIES.

V. GROSS INCOME DEDUCTION ACCOUNTS.

Account Number.	Name of Account.	Class.			Page.
	RENT DEDUCTIONS			C	121
600.	RENT FOR LEASE OF NATURAL GAS SYSTEM PROPERTIES	A	B		121
601.	JOINT FACILITY RENT	A	B		121
602.	OTHER RENT DEDUCTIONS	A	B		121
	INTEREST DEDUCTIONS			C	122
603.	INTEREST ACCRUED ON FUNDED DEBT	A	B		122
604.	INTEREST ACCRUED ON UNFUNDED DEBT	A	B		122
	CONTRACTUAL DEDUCTIONS FROM INCOME			C	122
605.	GUARANTIES OF PERIODIC PAYMENTS	A	B		122
606.	LOSS ON OPERATIONS OF OTHERS	A	B		123
607.	OTHER CONTRACTUAL DEDUCTIONS FROM INCOME	A	B		123
	AMORTIZATION DEDUCTIONS			C	123
608.	AMORTIZATION OF DEBT DISCOUNT AND EXPENSE	A	B		123
609.	AMORTIZATION OF INTERESTS IN LANDED CAPITAL	A	B		124
610.	OTHER DEDUCTIONS FROM INCOME	A	B	C	124
611.	AMORTIZATION OF PREMIUM ON DEBT	A	B	C	124

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PRESCRIBED FOR "CLASS B" NATURAL GAS UTILITIES.

V. GROSS INCOME DEDUCTION ACCOUNTS.

Account Number.	Name of Account.	Page.
600.	Rent for Lease of Natural Gas System Properties	121
601.	Joint Facility Rent	121
602.	Other Rent Deductions	121
603.	Interest Accrued on Funded Debt	122
604.	Interest Accrued on Unfunded Debt	122
605.	Guaranties of Periodic Payments	122
606.	Loss on Operations of Others	123
607.	Other Contractual Deductions from Income	123
608.	Amortization of Debt Discount and Expense	123
609.	Amortization of Interests in Landed Capital	124
610.	Other Deductions from Income	124
611.	Amortization of Premium on Debt	124

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PRESCRIBED FOR "CLASS C" NATURAL GAS UTILITIES.

V. GROSS INCOME DEDUCTION ACCOUNTS.

Account Number.	Name of Account.	Page.
600–602.	Rent Deductions	121
603–604.	Interest Deductions	122
605–607.	Contractual Deductions from Income	122
608–609.	Amortization Deductions	123
610.	Other Deductions from Income	124
611.	Amortization of Premium on Debt	124

TEXT EXPLANATORY OF INCOME ACCOUNTS.

V. GROSS INCOME DEDUCTION ACCOUNTS.

RENT DEDUCTIONS—(Class C).

600. RENT FOR LEASE OF NATURAL GAS SYSTEM PROPERTIES—(Classes A and B).

Charge to this account and credit to "177. OTHER ACCRUED LIABILITIES" account the amount that accrues during each accounting period on the natural gas system properties of others held and operated by the utility under a form of lease whereby it enjoys the exclusive use and possession of such properties.

The records supporting the entries to this account shall be so kept that the utility can furnish for each lease information as to the name of the lessor, the kind of property leased by him, and the utility function that it performs; the terms and the period of the lease and the amount of rent payable thereunder; whether such lessor controls, is controlled by, or is in any way affiliated with the utility; whether the rent is payable in cash, or is disbursed by the utility for the lessor as interest on funded debt, guaranteed dividends on stocks or otherwise.

601. JOINT FACILITY RENT—(Classes A and B).

Charge to this account the amount of joint facility rent which the utility pays to others on their natural gas system properties maintained and operated by them for the joint benefit of themselves and the utility under a joint agreement for sharing the expenses of operating such property on a basis of the relative amounts of benefit received by the participants.

By joint facility rent on such property is meant the amount of rent, profit, or return thereon which the utility pays to others in addition to its portion of the expenses of operating such property.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the name of each party with whom it enters into such an agreement; whether or not the utility controls, is controlled by, or is in any way affiliated with each party; the terms of each agreement; the amount of rent paid thereon and how this amount was determined.

602. OTHER RENT DEDUCTIONS—(Classes A and B).

Charge to this account and credit to "177. OTHER ACCRUED LIABILITIES" account the amount of rent, not provided for elsewhere, that accrues during each accounting period on property of others used by the utility.

Exclude from this account rent provided for in "357. PRODUCTION SYSTEM RENT", "360. RENTAL ON UNOPERATED LEASES", "380. TRANSMISSION SYSTEM RENT", "398. DISTRIBUTION SYSTEM RENT", and "434. GENERAL OFFICE RENT" accounts.

GROSS INCOME DEDUCTION ACCOUNTS.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the name of each party to whom the rent chargeable to this account is paid; the kind of property rented from him, the purpose for which it is used by the utility, and the amount of rent payable thereon; whether such party controls, is controlled by, or is in any way affiliated with the utility.

INTEREST DEDUCTIONS—(Class C).

603. INTEREST ACCRUED ON FUNDED DEBT—(Classes A and B).

Charge to this account and credit to "174. UNMATURED INTEREST ACCRUED ON FUNDED DEBT" account, the amount of interest that accrues during each accounting period upon the funded indebtedness of the utility.

The records supporting the entries to this account shall be so kept that the utility can furnish informtion as to the amount of interest accrued during each accounting period upon each class of bonds issued by the utility, each real estate mortgage, advances from affiliated companies for construction, equipment, additions and betterments, and each item of other funded debt; the rate of interest and the principal of each of the above items of funded debt upon which each charge to this account was calculated; and the date upon which each item of such debt was incurred and the date when it is payable.

604. INTEREST ACCRUED ON UNFUNDED DEBT—(Classes A and B).

Charge to this account and credit to "175. UNMATURED INTEREST ACCRUED ON UNFUNDED DEBT" account, the amount of interest that accrues during each accounting period upon all unfunded debt of the utility.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the nature of each item of unfunded debt the interest on which is chargeable to this account, the principal thereof, the rate of interest, the amount of interest accrued thereon during each accounting period, the name of each party to whom such debt is owed, and the dates on which it was incurred and is payable.

CONTRACTUAL DEDUCTIONS FROM INCOME—(Class C).

605. GUARANTIES OF PERIODIC PAYMENTS—(Classes A and B).

Charge to this account as they become liabilities, the amounts of all obligations incurred by the utility under contracts in which it has guaranteed to make annual or more frequent payments of money owed by others or to discharge other obligations assumed by them in case they default. The guaranties of such payments and other obligations become actual liabilities of the utility when those whose duty it is to make such payments or discharge such obligations fail to fulfill their duties.

Exclude from this account all amounts for which the utility becomes liable as a result of its guaranties of the payment of the principal of the funded debt of others, and also all other obligations in the guaranteeing of which the utility has required sufficient security to protect it against any loss therefrom.

GROSS INCOME DEDUCTION ACCOUNTS.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the name and amount of each obligation which is chargeable to this account, the purpose for which such obligation was guaranteed by the utility, whether those, whose obligations are guaranteed, control, are controlled by or are in any way affiliated with the utility.

606. LOSS ON OPERATIONS OF OTHERS—(Classes A and B).

Charge to this account the amount which the utility by contractual agreement is obliged to contribute to reimburse others for losses which result from their operations.

The records supporting the entries to this account shall be so kept that the utility can furnish for each contract information as to the name of each party with whom the utility has entered into such a contract, the nature of his operations and the location of the property operated by him, the total amount of loss suffered from his operations, the portion of it charged to the utility, and the basis upon which such charge was made.

607. OTHER CONTRACTUAL DEDUCTIONS FROM INCOME—(Classes A and B).

Charge to this account as they accrue and become liabilities of the utility, the amounts of all obligations which are incurred by the utility under contracts and which are not provided for elsewhere. This account includes only those items that are chargeable to income and does not include any liabilities for purchases.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the nature and amount of each charge to this account.

AMORTIZATION DEDUCTIONS—(Class C).

608. AMORTIZATION OF DEBT DISCOUNT AND EXPENSE—(Classes A and B).

Charge, at or before the close of each fiscal period, to this account and credit to "130. UNAMORTIZED DEBT DISCOUNT AND EXPENSE" account that proportion of the unextinguished discount and expense of the utility which is applicable thereto.

The charge for each fiscal period shall be such an amount that it will, through regular application during the period from the date of the sale to the date of maturity of the evidences of indebtedness upon which the discount and expense was incurred, completely extinguish such discount and expense.

The utility may amortize its debt discount and expense sooner by charging all or part of it, either at the time of the issue of the debt to which it applies or later, to "711. OTHER DEDUCTIONS FROM SURPLUS" account.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the amount of debt discount and expense charged to this account during each fiscal period for each class of its funded debt, the date of issue and maturity of the debt to which such discount applies, and the method whereby charges to this account are determined.

GROSS INCOME DEDUCTION ACCOUNTS.

609. AMORTIZATION OF INTERESTS IN LANDED CAPITAL—(Classes A and B).

Charge to this account and credit to "184. AMORTIZATION OF OTHER CAPITAL RESERVE" account that amount which, through regular application, will provide at the expiration of the lives of the utility's limited rights of way, leaseholds, etc., a reserve equal to their original money cost.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the amount charged to this account during each fiscal period for each item of interest in landed capital, the date when such interest in landed capital was acquired and the date when its life expires, and the method by which the charges to this account were determined.

610. OTHER DEDUCTIONS FROM INCOME—(Classes A B and C).

Charge to this account all those amounts that are deducted from the income of the utility and are not provided for elsewhere.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the nature and amount of each different charge to this account and the name of the account that is credited when this account is charged.

611. AMORTIZATION OF PREMIUM ON DEBT—(Classes A B and C).

Credit at or before the close of each fiscal period, to this account and charge to "178. UNAMORTIZED PREMIUM ON DEBT" account such a proportion of the premium as is based upon the life of the debt upon which the premium was received from the date of its issue to the date of its maturity.

If the utility elects not to extinguish its premium until the debt to which it is applicable is retired or matures, it shall credit to this account that portion of the premium that is applicable to the year in which the debt is retired or matures and it shall credit the balance of the premium to "702. OTHER ADDITIONS TO SURPLUS" account.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the amount of premium credited to this account during each fiscal period for each class of the utility's debt, and the dates of issue and maturity of each class of such debt.

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PRESCRIBED FOR CLASSES A B AND C NATURAL GAS UTILITIES.

NET INCOME AND NET INCOME APPROPRIATION ACCOUNTS.

Account Number.	Name of Account.	Class.	Page.
	VI. NET INCOME OR LOSS ACCOUNT.		
625.	Profit and Loss—Current Year	A B C	128
	VII. NET INCOME APPROPRIATION ACCOUNTS.		
	Net Income Appropriated for Reserve Funds	C	128
650.	Net Income Appropriated for Sinking Funds	A B	128
651.	Net Income Appropriated for Other Reserve Funds	A B	129
652.	Net Income Appropriated for Dividends	A B C	129
653.	Net Income Appropriated for Investment in Fixed Capital	A B C	129

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PRESCRIBED FOR "CLASS B" NATURAL GAS UTILITIES.

NET INCOME AND NET INCOME APPROPRIATION ACCOUNTS.

Account Number.	Name of Account.	Page.
	VI. NET INCOME OR LOSS ACCOUNT.	
625.	PROFIT AND LOSS—CURRENT YEAR	128
	VII. NET INCOME APPROPRIATION ACCOUNTS.	
650.	NET INCOME APPROPRIATED FOR SINKING FUNDS	128
651.	NET INCOME APPROPRIATED FOR OTHER RESERVE FUNDS	129
652.	NET INCOME APPROPRIATED FOR DIVIDENDS	129
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PRESCRIBED FOR "CLASS C" NATURAL GAS UTILITIES.

NET INCOME AND NET INCOME APPROPRIATION ACCOUNTS.

Account Number.	Name of Account.	Page.
	VI. NET INCOME OR LOSS ACCOUNT.	
625.	PROFIT AND LOSS—CURRENT YEAR	128
	VII. NET INCOME APPROPRIATION ACCOUNTS.	
650–651.	NET INCOME APPROPRIATED FOR RESERVE FUNDS	128
652.	NET INCOME APPROPRIATED FOR DIVIDENDS	129
653.	NET INCOME APPROPRIATED FOR INVESTMENT IN FIXED CAPITAL	129

TEXT EXPLANATORY OF INCOME ACCOUNTS.

VI. NET INCOME OR LOSS ACCOUNT.

625. PROFIT AND LOSS—CURRENT YEAR—(Classes A B and C).

At the close of each fiscal period the utility shall transfer to this account all of the balances in its operating revenue and expense accounts, non operating revenue and expense accounts, and gross income deduction accounts. The result obtained by assembling in this account all of these credit and debit balances is the net income or net loss of the utility for the fiscal year to which they pertain.

If it is the practice of the utility to appropriate any of its net income for sinking funds and other reserves, or for dividends, or for investment in fixed capital, it shall charge the amounts of such appropriations to this account. After these charges have been made, it shall close this account by transferring the balance to "190. CORPORATE SURPLUS UNAPPROPRIATED" account. If it does not make any such appropriations it shall transfer the net income or loss to "190. CORPORATE SURPLUS UNAPPROPRIATED" account.

If the utility is a sole proprietorship or a partnership it shall close this account by the transfer of the proper share in the profit or loss to the appropriate proprietors capital accounts.

This account shall be closed at the end of each fiscal period.

VII. NET INCOME APPROPRIATION ACCOUNTS.

Charge to the appropriate numbered accounts listed under this caption or to the appropriate subcaptions under which such numbered accounts are listed the amounts which the utility appropriates from its net income during each fiscal period for sinking and other reserve funds, dividends, or investment in fixed capital.

At the end of each fiscal period it shall close all of these accounts into "625. PROFIT AND LOSS—CURRENT YEAR" account.

These subcaptions as well as the numbered accounts listed under them are account titles. The letter, or letters, after each subcaption or numbered account indicates the class of the utility that is required to carry the account title prefixed thereto.

NET INCOME APPROPRIATED FOR RESERVE FUNDS—(Class C).

650. NET INCOME APPROPRIATED FOR SINKING FUNDS—(Classes A and B).

Charge to this account and credit to "188. SURPLUS RESERVED FOR SINKING FUNDS" account the amounts that are definitely set aside from the net income of the utility and invested or placed in the care of its trustees or other fiscal agents for the purpose of providing funds for the redemption of funded debt obligations that have been issued or assumed by it subject to sinking fund requirements.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the name of each sinking fund and the amount appropriated to it during each year from the net income of the utility, and the basis upon which appropriations are made for each fund.

NET INCOME APPROPRIATION ACCOUNTS.

651. NET INCOME APPROPRIATED FOR OTHER RESERVE FUNDS—(Classes A and B).

Charge to this account and credit to "189. OTHER SURPLUS RESERVES" account the amounts set aside from the net income of the utility and held in reserve for purposes not provided for elsewhere.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the name and purpose of each reserve for which charges are made to this account, the amount appropriated to it during each fiscal period from the net income of the utility, and the basis upon which such appropriation is made.

652. NET INCOME APPROPRIATED FOR DIVIDENDS—(Classes A B and C).

Charge to this account and credit to "170. DIVIDENDS PAYABLE" account the amount of dividends declared from the net income of the utility upon the actually outstanding capital stock that has been issued or assumed by it.

This account shall not include charges for dividends on any capital stock, issued or assumed by the utility, which is owned by it and either held in its treasury, special deposits, sinking or other reserve funds, or pledged as collateral.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the name of each class of stock the dividends declared on which were charged to this account, the par value of each class of such stock and the rate and amount of dividends declared thereon. the resolution by which each dividend was declared, the date of its declaration and the date of its payment, whether it is to be paid in cash, stock or otherwise.

653. NET INCOME APPROPRIATED FOR INVESTMENT IN FIXED CAPITAL—(Classes A B and C).

Charge to this account and credit to "186. SURPLUS INVESTED IN FIXED CAPITAL AFTER JANUARY 1, 1920", account the amounts that are definitely set aside from the net income of the utility and actually expended for the acquisition of land and completed structures and equipment, or for the construction of structures and equipment, or for any additions and betterments thereto.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the specific items of fixed capital acquired or constructed under each appropriation and the amount expended thereunder.

INDEX TO SURPLUS ACCOUNTS

PRESCRIBED FOR CLASSES A B AND C NATURAL GAS UTILITIES.

SURPLUS CREDIT AND SURPLUS DEBIT ACCOUNTS.

Account Number.	Name of Account.	Class.	Page.
	I. SURPLUS CREDIT ACCOUNTS.		
	Additions to Surplus	C	133
700.	Uncollectible Consumers' Accounts Recovered	A B	133
701.	Uncollectible Non Operating Revenues Recovered	A B	133
702.	Other Additions to Surplus	A B	133
	II. SURPLUS DEBIT ACCOUNTS.		
	Surplus Appropriated for Reserves	C	134
703.	Surplus Appropriated for Sinking Funds	A B	134
704.	Surplus Appropriated for Other Reserve Funds	A B	134
705.	Surplus Appropriated for Dividends	A B C	134
706.	Surplus Appropriated for Investment in Fixed Capital	A B C	135
	Surplus Appropriated for Other Purposes	C	135
707.	Gifts to Affiliated Companies	A B	135
708.	Expenses Unprovided for Elsewhere	A B	135
709.	Amortization Unprovided for Elsewhere	A B	136
710.	Other Appropriations of Surplus	A B	136
711.	Other Deductions from Surplus	A B C	136
712.	Uncollectible Consumers' Accounts—Old Year	A B C	136
713.	Uncollectible Non Operating Revenues—Old Year	A B C	137

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PRESCRIBED FOR "CLASS B" NATURAL GAS UTILITIES.

SURPLUS CREDIT AND SURPLUS DEBIT ACCOUNTS.

Account Number.	Name of Account.	Page.
	I. SURPLUS CREDIT ACCOUNTS.	
700.	Uncollectible Consumers' Accounts Recovered	133
701.	Uncollectible Non Operating Revenues Recovered	133
702.	Other Additions to Surplus	133
	II. SURPLUS DEBIT ACCOUNTS.	
703.	Surplus Appropriated for Sinking Funds	134
704.	Surplus Appropriated for Other Reserve Funds	134
705.	Surplus Appropriated for Dividends	134
706.	Surplus Appropriated for Investment in Fixed Capital	135
707.	Gifts to Affiliated Companies	135
708.	Expenses Unprovided for Elsewhere	135
709.	Amortization Unprovided for Elsewhere	136
710.	Other Appropriations of Surplus	136
711.	Other Deductions from Surplus	136
712.	Uncollectible Consumers' Accounts—Old Year	136
713.	Uncollectible Non Operating Revenues—Old Year	137

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PRESCRIBED FOR "CLASS C" NATURAL GAS UTILITIES.

SURPLUS CREDIT AND SURPLUS DEBIT ACCOUNTS.

Account Number.	Name of Account.	Page.
	I. SURPLUS CREDIT ACCOUNTS.	
700–702.	Additions to Surplus	133
	II. SURPLUS DEBIT ACCOUNTS.	
703–704.	Surplus Appropriated for Reserves	134
705.	Surplus Appropriated for Dividends	134
706.	Surplus Appropriated for Investment in Fixed Capital	135
707–710.	Surplus Appropriated for Other Purposes	135
711.	Other Deductions from Surplus	136
712.	Uncollectible Consumers' Accounts—Old Year	136
713.	Uncollectible Non Operating Revenues—Old Year	137

TEXT EXPLANATORY OF SURPLUS ACCOUNTS.

I. SURPLUS CREDIT ACCOUNTS.

Credit to the appropriate numbered accounts listed under this caption or to the appropriate subcaptions under which such numbered accounts are listed the amounts, except the amount of profit transferred from "625. PROFIT AND LOSS—CURRENT YEAR" account, that represent additions to the surplus of the utility during each fiscal period.

At the end of each fiscal period the utility shall close all of these accounts into "190. CORPORATE SURPLUS UNAPPROPRIATED" account.

These subcaptions as well as the numbered accounts listed under them are account titles. The letter, or letters, after each subcaption or numbered account indicates the class of the utility that is required to keep the account title prefixed thereto.

ADDITIONS TO SURPLUS—(Class C).

700. UNCOLLECTIBLE CONSUMERS' ACCOUNTS RECOVERED—(Classes A and B).

Credit to this account all amounts collected by the utility on those accounts with consumers which have been charged during previous years either to "452. UNCOLLECTIBLE CONSUMERS' ACCOUNTS" or "712. UNCOLLECTIBLE CONSUMERS' ACCOUNTS—OLD YEAR" account.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the name of each debtor the collection of whose debt is credited to this account, the amount collected from each debtor, the date when the debt was incurred, and the date when it was charged off as uncollectible.

701. UNCOLLECTIBLE NON OPERATING REVENUES RECOVERED—(Classes A and B).

Credit to this account all amounts collected by the utility on those accounts which result from the non operating activities of the utility and which have been charged during previous years to "559. UNCOLLECTIBLE NON OPERATING REVENUES" account.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the name of each debtor, the collection of whose debt is credited to this account, the amount collected from each debtor, the date when such debt was incurred, and the date when it was charged off as uncollectible.

702. OTHER ADDITIONS TO SURPLUS—(Classes A and B).

Credit to this account all those amounts not provided for elsewhere that are added to the surplus of the utility and are not assignable to its income.

In the credits to this account include additions due to the adjustment of errors that occurred in previous accounting periods; profits derived from the sales of property not used by the utility in the conduct of its natural gas operations; profits that result from adjustments due to the recording on the books of the utility at par value securities issued or assumed by it and later reacquired at a cost below par value; profits that result from

the resale of such securities; the unamortized portion of the premium on those items of the utility's funded debt that are retired before their maturity; premium on capital stock at the time the stock on which it was realized is retired; and like additions.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the nature and amount of each different credit to this account.

II. SURPLUS DEBIT ACCOUNTS.

Charge to the appropriate numbered accounts listed under this caption or to the appropriate subcaptions under which such numbered accounts are listed the amounts, except the amount of loss transferred from "625. Profit and Loss—Current Year" account, that represent subtractions from surplus of the utility during each fiscal period.

At the end of each fiscal period the utility shall close all of these accounts into "190. Corporate Surplus Unappropriated" account.

These subcaptions as well as the numbered accounts listed under them are account titles. The letter, or letters, after each subcaption or numbered account indicates the class of the utility that is required to keep the account title prefixed thereto.

Surplus Appropriated for Reserves—(Class C).

703. Surplus Appropriated for Sinking Funds—(Classes A and B).

Charge to this account and credit to "188. Surplus Reserved for Sinking Funds" account, the amounts that are definitely set aside from the surplus of the utility and invested or placed in the care of its trustees, or other fiscal agents, for the purpose of providing funds for the redemption of funded debt obligations that have been issued, or assumed by it subject to sinking fund requirements.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the name of each sinking fund and the amount appropriated to it during each year from the surplus of the utility, and the basis upon which such appropriation is made.

704. Surplus Appropriated for Other Reserve Funds—(Classes A and B).

Charge to this account and credit to "189. Other Surplus Reserves" account, the amounts that are set aside from the surplus of the utility and held in reserve for purposes not provided for elsewhere.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the name and purpose of each reserve for which charges are made to this account, the amount appropriated to it during each fiscal period from the surplus of the utility, and the basis upon which such appropriation is made.

705. Surplus Appropriated for Dividends—(Classes A B and C).

Charge to this account and credit to "170. Dividends Payable" account the amount of dividends declared from the surplus of the utility upon all actually outstanding capital stock issued or assumed by it.

This account shall not include charges for dividends on any capital stock, issued or assumed by the utility, which is owned by it and either held in its treasury, special deposits, sinking or other reserve funds, or pledged as collateral.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the name of each class of stock, the dividends declared on which were charged to this account, the par value of each class of such stock and the rate and amount of dividends declared thereon, the resolution by which each dividend was declared, the date of its declaration and the date of its payment, and whether it is to be paid in cash, stock or otherwise.

706. Surplus Appropriated for Investment in Fixed Capital—(Classes A B and C).

Charge to this account and credit to "186. Surplus Invested in Fixed Capital After January 1, 1920," account the amounts that are definitely set aside from the surplus of the utility and actually expended for the acquisition of land and completed structures and equipment, or for the construction of new structures and the purchase of new equipment, or for additions to land, or for additions and betterments to structures and equipment.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the specific items of fixed capital acquired or constructed under each appropriation and the amount expended thereunder.

Surplus Appropriated for Other Purposes—(Class C).

707. Gifts to Affiliated Companies—(Classes A and B).

Charge to this account the amounts which the utility gives, without expectation of reimbursement, to those natural gas utilities, other utilities, and non utilities that are affiliated with it in any way.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the name of each affiliated company to which the utility gives such gifts, and the amount and purpose of each gift.

708. Expenses Unprovided for Elsewhere—(Classes A and B).

Charge to this account all expenses incurred by the utility that are not applicable to either its operating or non-operating expense accounts.

In the charges to this account include such items as fines levied on the utility for violations of law, misfeasance, non-feasance, etc.; fines paid by it that are imposed on its directors, other officers, or employees; donations made to churches and others; and like expenses incurred by the utility.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the nature and amount of each different charge to this account.

Surplus Debit Accounts.

709. Amortization Unprovided for Elsewhere—(Classes A and B).

Charge to this account and credit as it is applicable to either "131. Property Abandoned", "132. Extraordinary Casualties", or "133. Non Productive Well Drilling Expense" account that portion of the loss on property abandoned by the utility or destroyed by extraordinary casualties, which The Public Service Commission has directed the utility to amortize by charges to its surplus.

Charge also to this account and credit as they are applicable either to "200. Organization" or "203. Other Undistributed Fixed Capital" account the amounts necessary to provide for the amortization of those items of undistributed fixed capital which are being amortized voluntarily by the utility.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the amounts charged to this account for each of the above items.

710. Other Appropriations of Surplus—(Classes A and B).

Charge to this account all appropriations of surplus made by the utility and not provided for elsewhere.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the amount and purpose of each different appropriation made during each year.

711. Other Deductions from Surplus—(Classes A B and C).

Charge to this account all those amounts not provided for elsewhere that are deducted from the surplus of the utility and are not chargeable to its income.

In the charges to this account include deductions due to the adjustment of errors that occurred in previous accounting periods; losses on sales of property not used by the utility in the conduct of its natural gas operations; losses that result from adjustment due to recording on the books of the utility at par value securities issued or assumed by it and later reacquired at a cost above par value; the losses that result from the resale of such securities, the unamortized portion of the discount and expense of those items of the utility's funded debt that are retired before their maturity; and like deductions.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the nature and amount of each different charge to this account.

712. Uncollectible Consumers' Accounts—Old Year—(Classes A B and C).

Charge to this account and credit to "117. Accounts Receivable from Consumers" account the amounts of those consumers accounts which were charged to "117. Accounts Receivable from Consumers" account prior to the current year and which prove impossible of collection because of the removal of such consumers beyond the jurisdiction of the State, the operation of the statute of limitations, discharge in bankruptcy, or for any other good and sufficient reason.

If the utility carries a reserve, charge the amounts of such uncollectible account to "182. UNCOLLECTIBLE CONSUMERS' ACCOUNTS RESERVE" account.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the name of each debtor whose uncollectible account has been charged to this account, the reason and authority for making such charge, and the age and amount of each account charged hereto.

713. UNCOLLECTIBLE NON OPERATING REVENUES—OLD YEAR—(Classes A B and C).

Charge to this account and credit to the asset account to which it was previously charged, the amount of any revenue that had been credited to any of the non operating revenue accounts prior to the current year and has proved to be uncollectible during the current year.

The records supporting the entries to this account shall be so kept that the utility can furnish information as to the name of each debtor whose uncollectible account has been charged to this account; the reason and authority for making each charge to this account; the nature, age and amount of each account chargeable hereto.

APPENDIX.

VALUATION AND DEPLETION ACCOUNTS.

The keeping of the following accounts, intended to facilitate the establishment of claims by the utilities for deduction for depletion under the Federal Revenue Acts, is left to the option of each utility. They are embodied in the classification for convenience only, and their use in no way effects any of the other accounts contained therein.

800. VALUATION OF NATURAL GAS DEPOSITS.

Charge to this account and credit to "801. SURPLUS FROM VALUATION OF NATURAL GAS DEPOSITS" account, the amount representing the value assigned to production system land, natural gas rights, and leaseholds in excess of the cost thereof for the purpose of claiming depletion under the provisions of the Federal Revenue Acts.

801. SURPLUS FROM VALUATION OF NATURAL GAS DEPOSITS.

Credit to this account the amount charged to "800. VALUATION OF NATURAL GAS DEPOSITS" account representing the value assigned to production system land, natural gas rights and leaseholds in excess of the cost thereof for the purpose of claiming depletion under the provisions of the Federal Revenue Acts.

802. DEPLETION OF NATURAL GAS DEPOSITS.

Charge to this account and credit to "803. RESERVE FOR DEPLETION OF NATURAL GAS DEPOSITS" account, that amount which it is estimated will through regular application provide an adequate reserve to cover the depletion in the value assigned to the utility's production system land, natural gas rights and leaseholds, recorded in "800. VALUATION OF NATURAL GAS DEPOSITS" account.

At the end of each accounting period, credit to this account and charge to "801. SURPLUS FROM VALUATION OF NATURAL GAS DEPOSITS" account the balance of this account.

803. RESERVE FOR DEPLETION OF NATURAL GAS DEPOSITS.

Credit to this account and charge to "802. DEPLETION OF NATURAL GAS DEPOSITS" account that amount which it is estimated will through regular application provide an adequate reserve to cover the depletion in the value assigned to the utility's production system land, natural gas rights, and leaseholds, recorded in "800. VALUATION OF NATURAL GAS DEPOSITS" account.

BALANCE SHEET ACCOUNTS

PRESCRIBED FOR "CLASS D" NATURAL GAS UTILITIES.

The following Balance Sheet Accounts are prescribed for "Class D" utilities. Some of these accounts are the same in title and substance as certain balance sheet accounts prescribed for "Class A", "Class B", and "Class C" utilities. Others are summary accounts of certain other "Class A", "Class B", and "Class C" balance sheet accounts.

Where a balance sheet account prescribed for a "Class D" utility is identical in the title and substance with one prescribed for the other classes of utilities the number of the account with which it is identical is referred to under the title of the "Class D" account. In like manner where the balance sheet account prescribed for a "Class D" utility is a summary account of certain accounts prescribed for the other classes of utilities the numbers of each of the accounts of which the "Class D" account is a summary account is referred to under the title of the "Class D" account. By consulting the accounts referred to by number under any of its balance sheet accounts a "Class D" utility can determine the items that it should charge or credit to such account.

ASSET ACCOUNTS.

1. Fixed Capital Installed Prior to January 1, 1920.

   The content of this account is described in account number 150.

2. Fixed Capital Installed Since December 31, 1919.

   The content of this account is described in account number 101.

3. Property Used in Other Public Services.

   The content of this account is described in account number 105.

4. Other Investments.

   The content of this account is described in accounts 104, 106 and 107.

5. Reacquired Securities.

   The content of this account is described in accounts 108 and 109.

6. Fund Accounts.

   The content of this account is described in accounts 110 and 111.

7. Cash.

   The content of this account is described in account number 115.

8. Notes Receivable.

   The content of this account is described in account number 116.

9. Accounts Receivable.

   The content of this account is described in accounts 117, 118 and 119.

Balance Sheet Accounts.

10. Materials and Supplies.

The content of this account is described in account number 121.

11. Other Current Assets.

The content of this account is described in account number 123.

12. Prepaid Accounts.

The content of this account is described in accounts 125, 126, 127 and 128.

13. Deferred Charge Accounts.

The content of this account is described in accounts 129, 130, 131, 132, 133, 134 and 135.

LIABILITY ACCOUNTS.

14. Capital Stock.

The content of this account is described in account number 150.

15. Non Corporate Proprietorship.

The content of this account is described in accounts 154 and 155.

16. Bonds.

The content of this account is described in account number 156.

17. Other Funded Debt.

The content of this account is described in accounts 157, 158 and 159.

18. Notes Payable.

The content of this account is described in account number 163.

19. Accounts Payable.

The content of this account is described in accounts 164, 165, 166, 167, 168, 169, 170, 171 and 172.

20. Other Current Liabilities.

The content of this account is described in account number 173.

21. Taxes Accrued.

The content of this account is described in account number 176.

22. Other Accrued Liabilities.

The content of this account is described in accounts 174, 175 and 177.

23. Deferred Credit Accounts.

The content of this account is described in accounts 178 and 179.

BALANCE SHEET ACCOUNTS.

24. DEPRECIATION OF STRUCTURES AND EQUIPMENT RESERVE.

The content of this account is described in account number 183.

25. AMORTIZATION OF OTHER CAPITAL RESERVE.

The content of this account is described in account number 184.

26. OTHER RESERVE ACCOUNTS.

The content of this account is described in accounts 180, 181, 182 and 185.

27. CORPORATE SURPLUS.

The content of this account is described in account number 190.

INCOME ACCOUNTS

PRESCRIBED FOR "CLASS D" NATURAL GAS UTILITIES.

The following Income Accounts are prescribed for "Class D" utilities. Some of these accounts are the same in title and substance as certain "Class A" income accounts. Others are summary accounts of certain other "Class A" income accounts.

Where an income account prescribed for a "Class D" utility is identical in title and substance with one prescribed for "Class A" utilities the number of the "Class A" account with which it is identical is referred to under the title of the "Class D" account. In like manner where an income account prescribed for a "Class D" utility is a summary account of certain "Class A" income accounts the number of each of the "Class A" accounts of which the "Class D" account is a summary account is referred to under the title of the "Class D" account. By consulting the "Class A" accounts referred to by number under any of its income accounts, a "Class D" utility can determine the items that it should charge or credit to such account.

I. OPERATING REVENUE ACCOUNTS.

30. PRIVATE SALES.

The content of this account is described in accounts 300, 301, 302, 306, 307, 308 and 309.

31. PUBLIC SALES.

The content of this account is described in accounts 305, 312 and 313.

32. SALES TO OTHER NATURAL GAS UTILITIES FOR RESALE.

The content of this account is described in accounts 303, 304, 310 and 311.

33. CONSUMERS' DISCOUNTS FORFEITED AND PENALTIES IMPOSED.

The content of this account is described in account number 314.

34. ALLOWANCES TO CONSUMERS.

The content of this account is described in account number 315.

II. OPERATING EXPENSE ACCOUNTS.

35. Production System Labor.

The content of this account is described in accounts 350, 351, 352 and 353.

36. Production System Supplies and Expenses.

The content of this account is described in accounts 354, 355, 356, 357, 358, 359 and 360.

37. Maintenance of Production System Properties.

The content of this account is described in accounts 361, 362, 363, 364, 365, 366, 367 and 368.

38. Natural Gas Purchased for Resale.

The content of this account is described in accounts 369 and 370.

39. Transmission and Distribution System Labor.

The content of this account is described in accounts 371, 372, 373, 374, 375, 389, 390, 391, 392, 393, 394, 408, 409, 410 and 411.

40. Transmission and Distribution System Supplies and Expenses.

The content of this account is described in accounts 376, 377, 378, 379, 380, 381, 395, 396, 397, 398, 399, 412, 413, 414 and 415.

41. Maintenance of Transmission and Distribution System Properties.

The content of this account is described in accounts 382, 383, 384, 385, 386, 387, 388, 400, 401, 402, 403, 404, 405, 406, 407, 416, 417, 418 and 419.

42. Salaries of General Officers.

The content of this account is described in account number 427.

43. Salaries of General Clerks.

The content of this account is described in account number 428.

44. Salaries and Wages of Other General Employees.

The content of this account is described in accounts 420, 422, 423, 425, 438, 439, 440, 441, 442 and 443.

45. General Supplies and Expenses.

The content of this account is described in accounts 421, 424, 426, 429, 430, 431, 432, 433, 434, 435, 444, 445, 446, 447, 448, 449, 453, 454, 455, 456, 457, 458, 459, 460, 461 and 479.

46. Natural Gas Franchise Requirements.

The content of this account is described in account number 450.

47. Taxes.

The content of this account is described in account number 451.

INCOME ACCOUNTS.

48. UNCOLLECTIBLE CONSUMERS' ACCOUNTS.

The content of this account is described in account number 452.

49. MAINTENANCE OF GENERAL PROPERTIES.

The content of this account is described in accounts 436, 437, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473 and 474.

50. DEPRECIATION.

The content of this account is described in account number 475.

51. EXTRAORDINARY DEPRECIATION.

The content of this account is described in account number 476.

52. AMORTIZATION OF FRANCHISES, PATENT RIGHTS AND LICENSES.

The content of this account is described in account number 477.

53. AMORTIZATION OF NATURAL GAS RIGHTS AND GAS LEASES.

The content of this account is described in account number 478.

III. NON OPERATING REVENUE AND EXPENSE ACCOUNTS.

54. NON OPERATING REVENUE.

The content of this account is described in accounts 500 to 514 inclusive.

55. NON OPERATING EXPENSE.

The content of this account in described in accounts 550 to 562 inclusive.

IV. GROSS INCOME DEDUCTION ACCOUNTS.

56. INTEREST DEDUCTIONS.

The content of this account is described in acounts 603 and 604.

57. OTHER DEDUCTIONS FROM INCOME.

The content of this account is described in accounts 600, 601, 602, 605, 606, 607, 608, 609, 610 and 611.

V. NET INCOME OR LOSS ACCOUNT.

58. PROFIT AND LOSS—CURRENT YEAR.

The content of this account is described in account number 625.

SURPLUS ACCOUNTS

PRESCRIBED FOR "CLASS D" NATURAL GAS UTILITIES.

The following surplus accounts are prescribed for "Class D" utilities. Each of these accounts is a summary account of certain "Class A" surplus accounts.

Under the title of each "Class D" surplus account appear the numbers of the "Class A" accounts of which the "Class D" account is a summary account. By consulting the "Class A" accounts referred to by number under any of its surplus accounts, a "Class D" utility can determine the items that it should charge or credit to such account.

59. Additions to Surplus.

The content of this account is described in accounts 700 to 702 inclusive.

60. Appropriations of Surplus.

The content of this account is described in accounts 703 to 710 inclusive.

61. Other Surplus Charges.

The content of this account is described in accounts 711 to 713 inclusive.

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